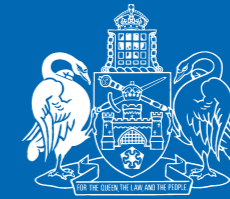


Department of Treasury Annual Report 2002-2003



Department of

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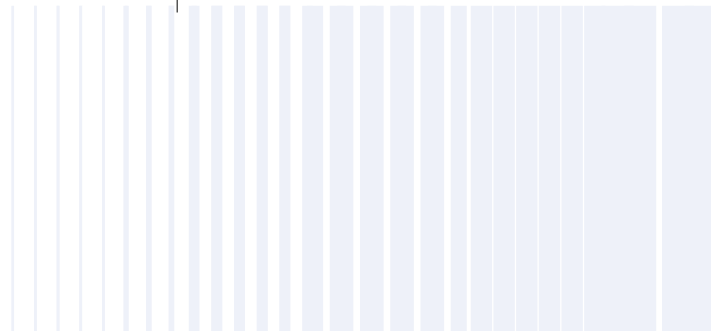
ANNUAL REPORT

# 2002-2003

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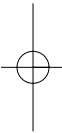
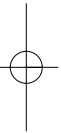




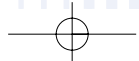
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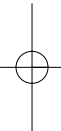
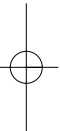
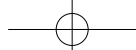
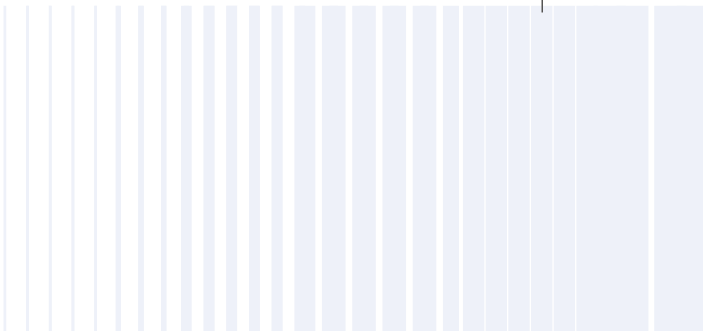
## Annual Report

### 2002-03



## Volume 1





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DEPARTMENT OF TREASURY AUSTRALIAN  
CAPITAL TERRITORY

Mr Ted Quinlan MLA  
Treasurer  
Minister for Sport, Racing and Gaming  
ACT Legislative Assembly  
London Circuit  
CANBERRA ACT 2601

Dear Treasurer

I am pleased to present to you the Annual Report of the Department of Treasury for the year ended 30 June 2003 as required under subsection 7(1) of the *Annual Reports (Government Agencies) Act 1995* and in accordance with the requirements referred to in the *Chief Minister's Annual Reports Directions*. It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Department of Treasury.

I hereby certify that the attached Annual Report is an honest and accurate account of the operations of the Department of Treasury during the period 1 July 2002 to 30 June 2003 and that it complies with the *Chief Minister's Annual Reports Directions*.

I draw your attention to the draft status of the full financial statements (including the Statement of Performance). The ACT Audit Office has issued an unqualified audit opinion with respect to the Home Loan Portfolio and the InTACT Group. While the audit opinions for the Department of Treasury, Central Financing Unit and Superannuation Unit remain outstanding, the Auditor-General has advised that an unqualified audit opinion will be expressed in relation to the financial statements for the Department of Treasury and Central Financing Unit.

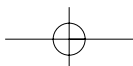
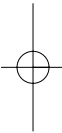
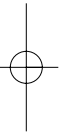
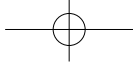
The audited financial and performance statements will be presented to you under a separate letter of transmittal as soon as the remaining audit opinions are available.

Section 14 of the *Annual Reports (Government Agencies) Act 1995* requires a copy of the Report to be laid before the Legislative Assembly within six sitting days of receiving the Report.

Yours sincerely

ML Harris  
Chief Executive

8 September 2003



# OVERVIEW

## The Department

**FUNCTIONS AND OBJECTIVES** ▶ The department provides strategic financial and economic advice and services to the ACT Government with the aim of improving the Territory's financial position and economic management.

It plays a leading role in promoting accountability and transparency in the delivery of services to the community and the management of resources. This is achieved through the implementation of sound financial policies, best management practices, robust analysis and effective input into major change initiatives across the ACT Public Service.

In addition to its traditional treasury functions, the department also provides a number of key cross government services. These include InTACT, the in-sourced provider of IT infrastructure services to the ACT Government and ACT Procurement Services, which provides a range of tendering, risk management, infrastructure procurement and on-line procurement services.

During 2002–03 the department developed its Strategic Directions for 2003–05. This document outlines the strategic directions to be taken by the department during the next three years, in the context of the ACT Government's policy framework. A copy of the *ACT Department of Treasury Strategic Directions 2003–05* is available on the department's website at <http://www.treasury.act.gov.au>.

**MISSION AND VALUES STATEMENT** ▶ The department's mission is to advise and support the Government in achieving the highest benefit for the ACT by the effective and efficient allocation and utilisation of its resources.

The values and guiding principles which determine how we approach our role and mission and meet our strategic directions include:

- ▶ being responsive to the Government and public needs;
- ▶ working to achieve high quality performance and outcomes;
- ▶ accounting for our performance;
- ▶ striving to deliver efficiency and effectiveness in public administration;
- ▶ promoting open and effective communication and improving communication within the department;
- ▶ promoting trust, respect, fairness, integrity and transparency in all our activities; and
- ▶ being an employer of choice where professional development, teamwork, individuals and clients are truly valued.

**OBJECTIVES AND OUTCOMES** ▶ The major corporate objectives for the department in 2002–03, as identified in the Ownership Agreement, were:

- ▶ subject to the requirements of government policy and legislation, to operate as a customer service oriented entity along business-like lines;
- ▶ to use benchmarking to operate at least as efficiently as alternative service providers and to provide quality, value for money services in all aspects of the department's operations;
- ▶ to use financial practices and maintain accounts and records which satisfy the requirements of the *Financial Management Act 1996*, including the associated ACT Accounting Policy Manual modelled on the requirements of Australian Accounting Standards, and which fairly present the department's financial position and operational and cashflow results for planning and reporting purposes;

- ▶ to adopt high standard operating practices to safeguard the environment and health and safety of staff; and
- ▶ to provide a productive and satisfying working environment for staff, and a commitment to high standards of human resource management based on the principles of equal employment opportunity.

The department has identified four outcomes over the next three years which will assist in achieving the key changes identified in its Strategic Directions Plan. The outcomes are:

- ▶ Treasury will be the primary source of advice on financial, economic, resource and risk management issues. The Treasurer and other key stakeholders will actively seek and have confidence in our advice and the development of key policies and procedures;
- ▶ a broader strategic financial framework will be established. The framework will assist our stakeholders to better understand the financial, economic and resource context for the Territory in policy development and services planning;
- ▶ the department will provide models and services that assist agencies to manage their allocated resources effectively and provide improved reporting to the Government; and
- ▶ new and existing employees will regard the Department of Treasury as an employer of choice.

**ORGANISATIONAL ENVIRONMENT** ▶ The organisational environment influences the nature and extent of the advice and services the department provides. Departmental officers work closely with all ACT Government departments and agencies particularly during the budget cycle and as part of its financial management role. InTACT and ACT Procurement Solutions also provide services to agencies requiring IT infrastructure or risk management and procurement advice and support. The department has striven to meet the needs of stakeholders by providing forward looking and responsive, high quality services, advice and assistance. The annual results of the surveys of the Treasurer and Chief Executives, as identified by outputs in the Statement of Performance, while positive indicate that further work is required.

The department has also sought to provide an environment that enables staff to personally and professionally develop and perform at a high level. Seventy two percent of staff had performance management plans in place in 2002–03, which is higher than the 53 per cent of staff with plans in place in 2001–02.

**ORGANISATIONAL CHANGE** ▶ There were no organisational changes arising from Administrative Arrangement changes during 2002–03.

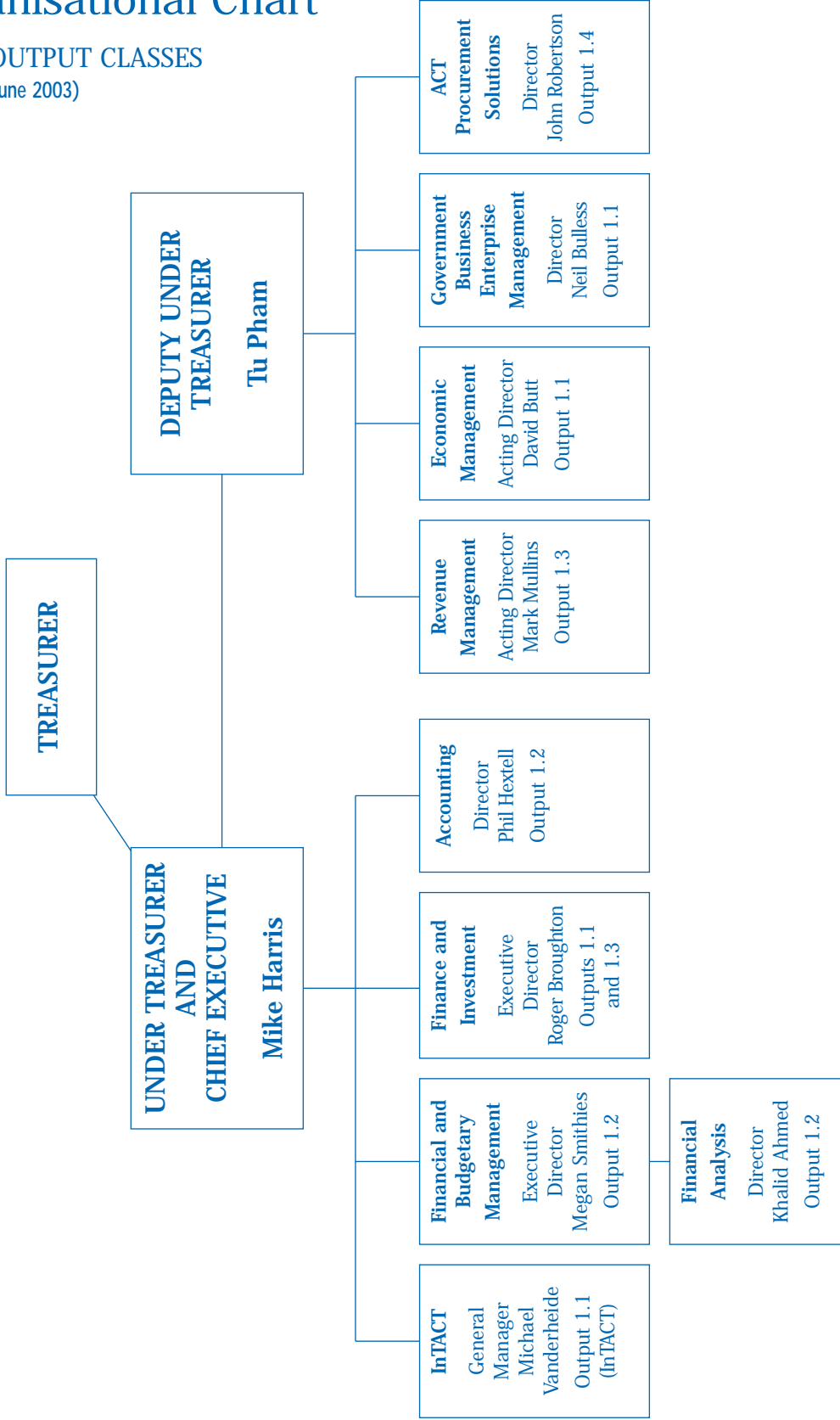
Internal changes to the department's organisational structure included the appointment of a new Chief Executive, a General Manager for InTACT, and two additional Executives.

The new Chief Executive, Mr Mike Harris, was appointed by the Government on 17 December 2002. Mr Michael Vanderheide was appointed General Manager for InTACT on 10 March 2003.

The financial capability of the department was strengthened at the senior executive level with the appointment of Mr Graeme Dowell, Director Expenditure Review, and Mr Glen Gaskill, Director Resource Management.

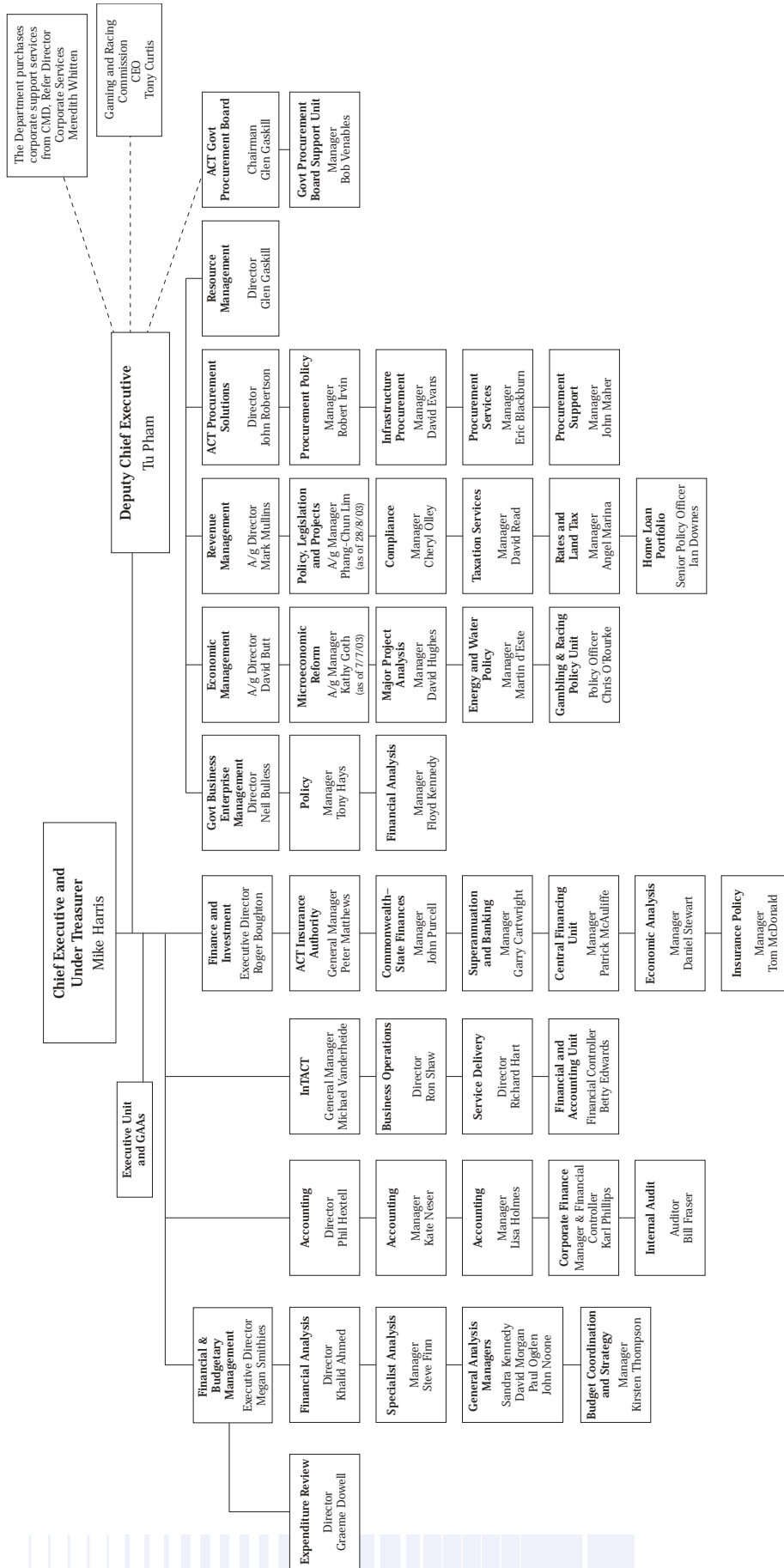
# Organisational Chart

MAIN OUTPUT CLASSES  
(as at 30 June 2003)



# Organisational Chart 2

(as at 30 June 2003)



## Chief Executive's Summary

The 2002–03 reporting year was both challenging and rewarding for the department.

The Commonwealth Grants Commission 2004 Review of its Methodologies has been a key priority for the past eighteen months as the Commission determines the share of the GST revenue pool that the ACT will receive for the five years following 2003–04. The department worked closely with agencies in hosting the Commonwealth Grants Commissioners and other jurisdictions as part of the Territory's Workplace Discussions and Inspections in November 2002 and in developing the Rejoinder Submission in February 2003.

The department collaborated with other key ACT agencies as part of the policy development and implementation of the Government's first water use strategy. The strategy, which was launched in November 2002, is critical to maintaining the water supply in the Territory during sustained dry periods and it continues into 2003–04.

The January 2003 bushfire emergency was a particularly challenging time for the Territory. The department provided a range of support services and many staff volunteered their time during the emergency and its aftermath. The InTACT Group maintained critical systems at The Canberra Hospital, Emergency Services and other key centres during the emergency. Practical support was also provided in the form of relief packages for victims and assistance to agencies in managing key contracts.

On 6 May 2003, the Treasurer presented the 2003–04 Budget, which provides for a deficit of \$7.7 million in 2003–04, an aggregate surplus of \$66 million for the period to 2005–06 and maintains the ACT's AAA credit rating.

The department's Strategic Directions for 2003–05 outline key policy and people initiatives for the next three years. The outcomes and actions for change focus on the department as a source of expert advice, the financial and policy framework, resource management models and attracting and retaining staff.

The successful negotiation of a new Certified Agreement in 2002–03 was vital. The Agreement provided a 10.5 per cent pay increase for staff, a commitment to build and support a professional organisation and develop strategies which will retain and attract staff.

The key policy directions for the department in 2003–04 include the implementation of a robust Expenditure Review process with a focus on achieving synergies for service delivery across the Territory, the review of the budget development framework and a review of the rates system.

My first six months with Treasury have been very rewarding and I look forward to working with my Treasury colleagues in addressing the challenges ahead during the next twelve months.

M L Harris  
Chief Executive

## Corporate Governance

The Executive Management Group, comprising the executives representing each business unit of the department, convenes on a weekly basis to address current and emerging issues at government and agency level. The Group provides ongoing direction and guidance and ensures that business operations and strategies are consistent with the Government's vision and outcomes.

At 30 June 2003, the department's Executive Management Group comprised:

Mr Mike Harris, Chief Executive and Under Treasurer;  
Mrs Tu Pham, Deputy Chief Executive and Deputy Under Treasurer;  
Ms Megan Smithies, Executive Director, Financial and Budgetary Management;  
Mr Roger Broughton, Executive Director, Finance and Investment Group;  
Mr Phil Hextell, Director, Accounting;  
Mr Graeme Dowell, Director, Expenditure Review;  
Mr Khalid Ahmed, Director, Financial Analysis;  
Mr Glen Gaskill, Director, Resource Management;  
Mr David Butt, Acting Director, Economic Management;  
Mr Neil Bulless, Director, Government Business Enterprise Management;  
Dr Mark Mullins, Acting Director & Commissioner for ACT Revenue, Revenue Management;  
Mr John Robertson, Director, ACT Procurement Solutions;  
Mr Michael Vanderheide, General Manager, The InTACT Group;  
Mr Ron Shaw, Acting Deputy General Manager, The InTACT Group;  
Mr Richard Hart, Director, Service Delivery, The InTACT Group; and  
Ms Meredith Whitten, Director, Corporate Services.

The department's Strategic Directions for 2003–05 outlines the strategic outcomes, values and guiding principles for Treasury and also incorporates a high level action plan. Other key corporate plans include the Human Resource Plan in the Ownership Agreement, Audit Program and Information Management and Technology Strategic Plan 2001–04. Business Unit Plans identify annual performance outputs and are linked to individual performance management plans. Performance reporting is undertaken at the end of each quarter with the tabling in the Legislative Assembly of the department's Budget Outputs Performance Report.

The department has included the public sector code of ethics in its induction papers and new staff are asked to read the code and sign an acknowledgement that they understand its purpose. The code is also referenced in the department's Code of Conduct, the Strategic Directions 2003–05 and the new starters toolkit.

Remuneration and allowances for Executives of the department are determined by the ACT Remuneration Tribunal.

**INTERNAL AUDIT** Internal Audit is managed by a joint Audit Committee, which provides audit services to this department, Chief Minister's Department and five statutory authorities. Eight meetings were held during the year. At 30 June 2003, the Audit Committee comprised the following members:

Mr Will Laurie, Independent Chairperson;  
Mrs Tu Pham, Deputy Chief Executive;  
Mr Michael Vanderheide, General Manager, The InTACT Group;  
Ms Pam Davoren, Executive Director, Public Sector and Labour Policy Group, Chief Minister's Department;  
Ms Meredith Whitten, Director, Corporate Services; and  
Mr Bernie Sheville, Acting Auditor-General, ACT Auditor-General's Office (Observer).

Internal audit services are provided by internal staff and by two private accounting firms. Areas or projects to undergo internal audit are selected from a three-year Internal Audit Program developed by the Committee after identifying areas of operational and financial risk.

During the year, reviews were conducted of Rates and Land Tax, Home Loan Portfolio, General Government Investments, IT Security for the whole of government, Revenue Collection at the ACT Insurance Authority, and Service Level Agreements at InTACT.

## External Scrutiny

In 2002–03, Government responses to compliance audits by the ACT Auditor-General included the operation of the *Public Access to Government Contracts Act 2000*, governance arrangements of selected statutory authorities, internal auditing, and financial audits to 30 June 2002. Although the audit reports were focused at a whole of government level, the department is working through the implementation of the recommendations relevant to its operations.

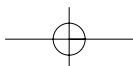
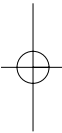
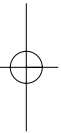
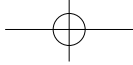
See 'Reports by the Auditor-General' under the Appendices section for further information on these reports.

The following Select and Standing Committee reports were presented during the year:

- Select Committee on Estimates 2002–2003 — Budget 2002–2003
- Select Committee on Privileges — Unauthorised diversion and receipt of a Member's e-mails
- Standing Committee on Public Accounts — 2002–2003 Appropriation Bill (No 2)
- Standing Committee on Public Accounts — Inquiry into the Rates and Land Tax Amendment Bill 2003
- Select Committee on Estimates 2003–2004 — Appropriation Bill 2003–2004

See 'Legislative Assembly Committee Inquiries and Reports' under the Appendices section for further information on these reports.

The department also managed the whole of government contribution to the Commonwealth Grants Commission's 2004 Review of its Methodologies that occurs every five years. This included the preparation of a follow-up Rejoinder Submission in February 2003.



# 2002–03 OBJECTIVES, ACHIEVEMENTS AND MAJOR ISSUES

## Output Class 1— Financial and Economic Management

### OUTPUT 1.1: ECONOMIC MANAGEMENT

Refer 2002–03 Budget Paper 4 page 93

To develop and pursue initiatives to ensure the economic interests of the ACT and its residents are protected and maximised by providing advice on economic and regulatory reform, gaming and racing, energy and water policies and major projects and by ensuring appropriate returns on assets and appropriate intergovernmental financial relations.

**ORGANISATION** ▶ Output 1.1 is met through the achievements of several areas including:

- A: Economic Management Branch;
- B: Commonwealth-State Finances Section, Finance and Investment Group;
- C. Economic Analysis Section, Finance and Investment Group;
- D: Insurance Policy Section, Finance and Investment Group; and
- E: Government Business Enterprise Management Branch.

### KEY PERFORMANCE MEASURES

- ▶ Annual Report to National Competition Council.
- ▶ Briefings for Ministerial Council Meetings.
- ▶ Maintain the ACT's share of General Revenue Assistance above an equal per capita share of funds made available from the Commonwealth.
- ▶ Economic analysis briefings.
- ▶ Provide advice to government on the structures and operations of Government Business Enterprises (GBEs) and GBE performance and implement government decisions.
- ▶ Policy proposals implemented are consistent with competition principles and implementation of Council of Australian Governments (COAG) agreements.
- ▶ Treasurer's and Chief Executive's satisfaction with quality of advice as assessed by a six-month survey.
- ▶ Board appointment processes comply with statutory requirements.
- ▶ Treasurer's and Chief Executive's satisfaction with timeliness of advice as assessed by a six-monthly survey.

## A: Economic Management Branch

Along with providing general economic policy advice, the branch ensured government compliance with national competition policy; managed and implemented micro-economic reforms; contributed to the achievement of a contestable public sector; provided financial and economic analysis of major projects and policy proposals; developed policy and guidelines for the private provision of public infrastructure; developed gambling and racing policy; administered the Racing Development Fund; and developed energy and water policy and managed the associated reforms.

**Further information can be obtained from:**

Mr David Butt  
 Director, Economic Management  
 (02) 6207 5904  
 davidg.butt@act.gov.au

**MICROECONOMIC REFORM SECTION** The section oversaw Territory compliance with the National Competition Policy (NCP) Agreements and provided policy advice on microeconomic reforms designed to achieve greater efficiency and competitiveness in ACT markets. It also provided advice on competitive neutrality principles; ensured compliance with Territory policy in relation to assessment of the regulatory impact of new or amended legislation; and coordinated systematic and comprehensive reviews of existing legislation to identify and address restrictions to competition. The section was the main ACT point of contact for the National Competition Council (NCC) and also advised on compliance with Part IV of the Trade Practices Act 1974.

**KEY RESULTS**

- Developed a two stage reference for the Independent Competition and Regulatory Commission (ICRC) to inquire into and provide advice on:

  - the appropriate pricing of water, sewerage and trade waste services provided by ACTEW for the five-year period to 30 June 2009; and
  - the appropriate methodology, level, and social impact of the Water Abstraction Charge.
- Coordinated the whole of government input for the 2003 NCP Report and, following government approval, provided the report to the NCC in April 2003.
- Received a positive assessment from the NCC regarding the Government's progress in implementing NCP reforms during 2002–03. As a result, the ACT will receive a full NCP payment of \$12.4 million for 2003–04.
- Developed, implemented and oversaw the Government's five stage water restrictions scheme to ensure the most efficient use of the resource.
- Assessed all ACT Government-owned entities in 2002–03 to determine an updated list of bodies to be subject to the National Taxation Equivalent Regime (NTER), which mirrors the Commonwealth corporate income tax system.
- Developed and implemented the *Taxation (Government Business Enterprises) Act 2003* and associated Regulations which provided a legislative framework process to determine which agencies are subject to Territory taxes and Commonwealth income tax equivalents. These came into retrospective effect on 1 July 2002.
- Provided advice and coordinated the development of the Government's response to the Business Regulation Review Committee's report.
- Represented the ACT on the Committee on Regulatory Reform, and in meetings with the NCC.

**FUTURE DIRECTIONS** In 2003–04 the section will work towards:

- implementing the Government's decisions on the Business Regulation Review which will include:

  - reviewing the application and enforcement of all administrative (non-legislative based) codes of practice, guidelines, protocols and standards;

- establishing a regulatory complaint and dispute resolution service;
- updating the Government's regulatory impact assessment guide;
- implementing a reporting requirement for ACT agencies to report on costs and benefits of regulatory reforms; and
- developing a five yearly review process for business related legislation;
- ▶ coordinating whole of government input for the ACT's 2004 NCP Report;
- ▶ updating the regulatory impact assessment training package;
- ▶ overseeing the development of trade waste pricing by ACTEW;
- ▶ contributing to the development of a water cap for the ACT and the implementation of water trading;
- ▶ reviewing the recommendations and providing advice to the Government on the implications of the ICRC's inquiry into the appropriate pricing of water, sewerage and trade waste services provided by ACTEW; and
- ▶ implementing the updated Competitive Neutrality Policy and guidelines.

**Further information** regarding the section including publications, frequently asked questions and contact details can be obtained from the section's website at <http://www.treasury.act.gov.au/competition>

Ms Kathy Goth  
 A/g Manager, Microeconomic Reform  
 (02) 6207 0290  
[kathy.goth@act.gov.au](mailto:kathy.goth@act.gov.au)

**ENERGY POLICY SECTION** ▶ The section provided the ACT Government with policy advice on the development, implementation and review of national and Territory reforms as they related to ACT's electricity and gas industries. These reforms included the development of national electricity and gas markets, energy efficiency arrangements for reducing greenhouse gas emissions and Full Retail Competition for electricity and gas.

The section also advised the Treasurer at national energy policy forums, including the Ministerial Council on Energy and the National Electricity Market Ministers' Forum and represented the ACT at interjurisdictional forums including the National Gas Pipelines Advisory Committee and the National Green Power Accreditation Program Steering Committee.

#### KEY RESULTS

- ▶ Managed the introduction of Full Retail Contestability for electricity on 1 July 2003 which fulfilled the ACT's NCP obligations.
- ▶ Developed the reference for the ICRC to inquire into and determine the level and structure of regulated retail prices for electricity franchise customers consuming less than 100 megawatt hours per annum during the three-year transition period to competition commencing 1 July 2003.
- ▶ Developed regulations, on Minimum Energy Performance Standards and Energy Rating Labels for electrical appliances and equipment, which came into effect in September 2002.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ undertake a legislative review of the *Utilities Act 2000*;
- ▶ along with other jurisdictions, implement the national energy reform model; and
- ▶ work with key stakeholders in determining the feasibility of introducing greenhouse abatement measures relating to the use of electricity.

**Further information can be found on the section's website:**

at [www.treasury.act.gov.au/energypolicy](http://www.treasury.act.gov.au/energypolicy)

Mr Martin d'Este  
 Manager, Energy Policy  
 (02) 6207 6126  
[martin.deste@act.gov.au](mailto:martin.deste@act.gov.au)

**MAJOR PROJECTS AND POLICY ANALYSIS SECTION** ▶ The section provided financial and economic analysis of projects and policy proposals and assisted agencies in improving the quality of financial and economic analysis in reports, submissions and other documents. It also developed policy and guidelines for the private provision of public infrastructure; advice and assistance on the implementation of policy decisions in relation to gambling and racing taxes, fees and charges; and undertook assessments of applications for financial assistance under the ACT Business Incentive Fund.

### KEY RESULTS

- ▶ Provided financial and economic analysis of numerous projects and policy proposals, including the development of the Planning and Land Authority, the ACT Prison Project, ACT Convention Centre upgrade, Sustainable Transport Policy and the Economic White Paper.
- ▶ Developed the ACT policy on the private provision of public infrastructure and the ACT Government Procurement Board Circular on Implementing Private Provision of Public Infrastructure projects in the ACT.
- ▶ Represented the ACT in a forum of interstate officials examining the reform of section 51AD and Division 16D of the *Income Tax Assessment Act (1936)* relating to changes in the treatment of depreciation and interest charges for public assets provided by the private sector.
- ▶ Provided advice on ministerial approval for grants from the Racing Development Fund.
- ▶ Assessed six applications for financial assistance under the ACT Business Incentive Scheme.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ assist in improving the quality of proposals prepared by government agencies by:
  - preparing a guideline on financial and economic analysis which can be applied to all major projects and policy proposals;
  - conducting training programs for agencies on cost benefit analysis; and
  - providing advice and support on the preparation of specific proposals as required;
- ▶ manage any changes to gambling and racing legislation that arise from reviews conducted by the Gambling and Racing Commission; and
- ▶ assist BusinessACT to improve the processing of applications under the ACT Business Incentive Fund.

**Further information can be found on the section's website:**

<http://www.treasury.act.gov.au/majorprojectanalysis>

Dr David Hughes  
 Manager, Major Projects and Policy Analysis  
 (02) 6207 0337  
[david.hughes@act.gov.au](mailto:david.hughes@act.gov.au)

## B: Commonwealth–State Finances Section

This section forms part of the Finance and Investment Group (FIG). The section managed the funding arrangements between the ACT, the States and the Commonwealth Government.

### KEY RESULTS

- ▶ Continued to oversight the implementation of the Intergovernmental Agreement on the Reform of Commonwealth States Financial Relations, which underpins the Commonwealth Government's new tax system. The cornerstone of the new system is a Goods and Services Tax (GST).
- ▶ In accordance with the findings of the Commonwealth Grants Commission, the GST outcome for 2002–03 saw the ACT receiving an increase of \$13.6m in total Commonwealth funding when compared to the 2002–03 ACT Budget estimates.
- ▶ Managed the whole of government contribution to the Commonwealth Grants Commission's 2004 Review of its Methodologies that occurs every five years including the preparation of a follow-up Rejoinder Submission in February 2003.
- ▶ Worked with the jurisdictions in monitoring and reporting on Commonwealth Specific Purpose Payments including the Commonwealth-State/Territory Disability Agreement (CSTDA); Commonwealth-State Housing Agreement (CSHA); and Australian Health Care Agreements (AHCAs) and pursued reform in the development and administration of these types of Federal grants.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ continue to monitor the implementation of the Intergovernmental Agreement underpinning national tax reform;
- ▶ complete the ACT's participation in the Commonwealth Grants Commission's 2004 Review of methodology due to be released in February 2004 and defend the current equalisation methodology used to distribute the GST pool against a concerted effort by States receiving less than an equal per capita share of the GST; and
- ▶ continue to work with the States and the Northern Territory in seeking recognition about the increasing Commonwealth and shrinking State–Territory share of national tax revenues.

**Further information can be obtained from:**

Mr John Purcell  
 Manager, Commonwealth–State Finances  
 (02) 6207 0269  
[john.purcell@act.gov.au](mailto:john.purcell@act.gov.au)

## C: Economic Analysis Section

This section forms part of the Finance and Investment Group (FIG). It provided advice on major economic and financial issues which faced the ACT economy; monitored the ACT economy; and analysed and provided advice to government and agencies on economic issues.

### KEY RESULTS

- ▶ Provided economic advice to the Government and various agencies, emphasising key trends in the ACT economy.
- ▶ Provided input to the:
  - 2003–04 Budget;
  - ACT's 2003 submission to the Living Wage Case;
  - development of the Economic White Paper; and
  - the analysis of proposals for a number of major projects.
- ▶ Provided quality briefings to the Treasurer on all major Australian Bureau of Statistics (ABS) economic releases and a number of relevant non-ABS indicators.
- ▶ Maintained and updated the Economic Snapshot website.
- ▶ Managed the preparation of a presentation to Moody's and a presentation and submission to Standard and Poor's as part of the 2002 ACT credit rating review which led to the maintenance of the ACT's AAA credit rating.
- ▶ Reviewed all the main economic models managed by the section including:
  - the model used to determine the Territory's key economic parameters;
  - the ACT house price model used for revenue forecasts; and
  - the model used to forecast greenhouse gas emissions which feed into the ACT Greenhouse Strategy.

### FUTURE DIRECTIONS ▶ In 2003–04 the section will:

- ▶ continue to provide timely briefings on key economic indicators affecting the ACT;
- ▶ consider options for improving the quality of the ACT's economic forecasts;
- ▶ oversee the Territory's 2003 credit rating review by Moody's and Standard and Poor's with the aim of maintaining the ACT's AAA credit rating;
- ▶ continue working with other agencies to provide economic analysis of relevant policy proposals; and
- ▶ complete the update of the department's Input-Output model.

### Further information can be obtained from the following website

<http://www.treasury.act.gov.au/snapshot>

Mr Dan Stewart  
Manager, Economic Analysis  
(02) 6207 0307  
[dan.stewart@act.gov.au](mailto:dan.stewart@act.gov.au)

## D: Insurance Policy Unit

The unit was responsible for formulating the Government's policy on insurance matters for the ACT including public liability, professional and medical indemnity insurance issues. The unit also provided advice and assistance to the ACT Community with respect to the availability and affordability of insurance.

### KEY RESULTS

- ▶ Developed and managed the Risk Advisory website.
- ▶ Delivered a community group insurance scheme.
- ▶ Delivered public liability insurance guidelines.
- ▶ Implemented community insurance risk management training.
- ▶ Consulted and negotiated with stakeholders groups in relation to insurance matters and tort reform.
- ▶ Held public seminars in support of the Government's insurance policy and tort reform legislative initiatives.
- ▶ Provided representation at Ministerial and intergovernmental meetings including on the Heads of Treasury Insurance Issues Working Group.
- ▶ Developed briefs and correspondence on complex insurance related matters.

### FUTURE DIRECTIONS ▶ In 2003–04 the unit will:

- ▶ continue to formulate policy and legislative initiatives in the area of negligence liability and insurance risk;
- ▶ develop a small business module for the Risk Advisory website;
- ▶ develop a risk management module to the risk profiler on the Risk Advisory website;
- ▶ implement a full spectrum of training for small businesses in the ACT;
- ▶ continue consultation and negotiation with key stakeholders, particularly in relation to medical indemnity, business and professional insurance risk; and
- ▶ continue participating in Ministerial and intergovernmental meetings.

### Further information can be obtained from the following website

<http://www.insuranceriskadvice.act.gov.au>

Mr Tom McDonald  
Manager, Insurance Policy Unit  
(02) 6207 0284  
[tom.mcdonald@act.gov.au](mailto:tom.mcdonald@act.gov.au)

## E: Government Business Enterprise (GBE) Management Branch

The GBE Management Branch was responsible for providing financial and policy advice to government on the operations and governance arrangements of the Territory's GBEs including the Kingston Foreshore Development Authority (KFDA), the Australian International Hotel School (AIHS), Exhibition Park in Canberra (EPIC), ACTEW Corporation Ltd, Totalcare Industries Ltd and ACTTAB Ltd.

### KEY RESULTS

- ▶ Provided strategic advice to the Government and senior executives on major issues affecting government business activities including:
  - structural reviews of the future of the AIHS and Totalcare and associated implementation activities;
  - the implications of TransACT Communications as a major investment for ACTEW;
  - the proposed relocation of ACTTAB's head office;
  - the review of ACTTAB's dividend policy;
  - advice on the governance arrangements for Territory Owned Corporations to the Chief Minister and Treasurer as voting shareholders;
  - financial analysis to support the Commission of Audit investigation of the AIHS, ACT Forests and ACTION;
  - assisting the implementation taskforce in establishing the Land Development Agency (LDA);
  - developing a detailed financial model to assist in evaluating the financial performance of GBEs; and
  - obtaining government agreement to an enhanced financial oversight framework for an extended range of government business activities.
- ▶ Facilitated compliance by GBEs with their statutory requirements including the development of Statements of Corporate Intent and Briefings on Annual General Meetings for Territory Owned Corporations.
- ▶ Facilitated 27 board appointments, all of which complied with statutory requirements.
- ▶ Chaired the interdepartmental working party set up to review the ACT statutory authorities governance framework and consulted with a broad range of statutory authorities.
- ▶ Prepared consolidated financial performance reports for specific GBEs each quarter.

### FUTURE DIRECTIONS ▶ In 2003–04 the branch will:

- ▶ work towards finalising the governance framework including proposed legislative changes for ACT statutory authorities;
- ▶ implement the enhanced financial oversight framework for GBEs;
- ▶ conduct joint reviews of other business activities to assess applicability of the enhanced financial oversight framework;
- ▶ undertake a Request for Proposals process for the AIHS; and
- ▶ assist with the transfer of Totalcare businesses back to ACT agencies.



**Further information can be obtained from the following website**

<http://www.treasury.act.gov.au/organisation/gbetoc.cfm>

Mr Neil Bulless  
Director, Government Business Enterprise Management  
(02) 6207 0264  
[neil.bulless@act.gov.au](mailto:neil.bulless@act.gov.au)

Mr Tony Hays  
Manager, Policy Section  
(02) 6207 5062  
[tony.hays@act.gov.au](mailto:tony.hays@act.gov.au)

Mr Floyd Kennedy  
Manager, Financial Analysis Section  
(02) 6207 0096  
[floyd.kennedy@act.gov.au](mailto:floyd.kennedy@act.gov.au)



# Output Class 1 — Financial and Economic Management

## OUTPUT 1.2: FINANCIAL MANAGEMENT

Refer 2002–03 Budget Paper 4 page 95

Provision of analysis, monitoring and reporting on financial performance to assist the Government to achieve its preferred outcomes.

**ORGANISATION** ▶ Output 1.2 Financial Management includes:

A: the Financial and Budgetary Management Branch; and

B: the Accounting Branch.

### KEY PERFORMANCE MEASURES

- ▶ Budget.
- ▶ Whole of Government Consolidated — Management Reports.
- ▶ Whole of Government Consolidated Finance Report.
- ▶ External Government Reporting.
- ▶ Whole of Government Capital Works Program Reporting.
- ▶ Commission of Audit.
- ▶ Budget documents meet agreed standards.
- ▶ Relevant Minister's and Chief Executives' satisfaction with quality as assessed by six-monthly survey.
- ▶ Relevant Minister's and Chief Executives' satisfaction with timeliness as assessed by six-monthly survey.

## A: Financial and Budgetary Management Branch

The branch provided analysis and monitoring of, and reporting on, financial and output performance to assist the Government achieve its preferred outcomes. It was responsible for the Territory's budget development and budget management. The branch monitored, analysed and provided advice to government on the Territory's financial performance and strategy and agencies' performance against budget, both financially and for service delivery.

### KEY RESULTS

- ▶ Prepared two supplementary 2002–03 Appropriation Bills which were delivered on 7 March 2003 and 6 May 2003 respectively.
- ▶ 2003–04 Budget delivered on 6 May 2003.
- ▶ Whole of Government Consolidated — Management Reports.



*Stuart Friend receiving an award in recognition of his contribution to the budget related work of the ACT Bushfire Recovery Taskforce Secretariat.*

- ▶ Prepared the Quarterly Consolidated Financial Reports for the Legislative Assembly, which contained a detailed analysis of the Territory's financial position.
- ▶ Prepared the 2001–02 Territory Annual Financial Statements released in October 2002.
- ▶ Participated in the Uniform Presentation Framework (UPF) with the aim of providing meaningful and useful financial reporting to organisations such as the Australian Bureau of Statistics and the Commonwealth Grants Commission.
- ▶ Provided a full year report on the 2001–02 Capital Works Program.
- ▶ Completed the Government's Commission of Audit with the final report tabled in the Legislative Assembly on 12 December 2002.
- ▶ 2003–04 Budget Consultation Document was agreed and released in December 2002.
- ▶ Managed the whole of government Oracle upgrade implementation.
- ▶ Participated in the finalisation of the report by the Affordable Housing Taskforce, with recommendations on housing affordability for low income people and families.

**PREPARATION AND DELIVERY OF THE ACT BUDGET** ▶ The 2003–04 Budget was delivered on 6 May 2003. The 2003–04 Budget provides for a deficit of \$7.7 million in 2003–04 and an aggregate surplus of \$66 million for the period 2002–03 to 2005–06. As part of the Budget preparation, the Treasurer invited both the issues-based Standing Committees of the ACT Legislative Assembly and the broader ACT Community to provide input on the priorities for the 2003–04 Budget. The 2003–04 Budget Consultation document was released in December 2002 and provided an outline of the major issues then facing the ACT.

The 2003–04 Budget incorporates a new capital works program of \$105 million and provides funding in 2003–04 for new works and work in progress of \$152 million. Additionally, \$40 million and \$50 million have been provided in the forward estimates for the Convention Centre and a new Remand Centre respectively. The 2003–04 Budget will also maintain the ACT's AAA credit rating and plans no new borrowings or major asset sales.

**LONG TERM FISCAL MODELING** ▶ In August 2002, Heads of State and Territory Treasuries agreed to collectively investigate and develop long-term budget trends. State/Territory Treasuries also agreed to commission a long-term fiscal model.

The model will be used to provide advice to government on the long-term projections of State (and national) economies and budgets, and will assist in developing an understanding in fiscal and broader economic terms of the impact of the aging population in the Territory.

**AFFORDABLE HOUSING** ▶ The branch participated in the Affordable Housing Taskforce which finalised its report to the Government in December 2002.

The report covered all aspects of housing affordability with key recommendations in the areas of developing social housing, encouraging financial and development partnerships with the private sector, promoting the expansion of private rental housing targeted for low income people and families, supporting home ownership, use of land planning mechanisms, and increasing community and industry awareness.

## FUTURE DIRECTIONS

In 2003–04 the branch will:

- ▶ continue to assist in the Expenditure Review Committee (ERC) process, particularly in relation to the three scheduled capacity reviews;
- ▶ strengthen the Budget planning and management process, and improve the links with the quarterly monitoring process;
- ▶ continue to improve the system of reporting on capital works and financial performance on a quarterly basis;
- ▶ implement the agreed recommendations from the Fiscal Reporting Committee's review into the UPF reporting requirements; and
- ▶ commence development of a whole of government strategic plan for the future direction of Oracle Government Financials across government agencies. This will include development of arrangements for support services, improved communication processes across government, links between other major IT applications and whole of government procedures and best practice guidelines for the use, maintenance and enhancement of Oracle.

### Further information can be obtained from:

Ms Megan Smithies  
Executive Director, Financial and Budgetary Management  
(02) 6207 0225  
megan.smithies@act.gov.au

Mr Khalid Ahmed  
Director, Financial Analysis  
(02) 6207 0228  
khalid.ahmed@act.gov.au

Ms Kirsten Thompson  
Manager, Budget Strategy and Coordination  
(02) 6207 0259  
kirsten.thompson@act.gov.au

## B: Accounting Branch

The Accounting Branch had a key role in the development of the Territory's financial framework, including financial legislation and procedures. In addition, the branch was a centre of accounting advice to agencies and addressed complex Territory accounting issues. It was also responsible for the provision of accounting training across agencies.

### KEY RESULTS

- ▶ *Financial Management Act 1996* amended to remove ambiguities and improve accountability.
- ▶ Model Territory Internal Audit Framework developed. The framework addressed organisational structures relevant to internal auditing, including the roles and responsibilities of the governing body for an agency, the Audit Committee and the internal audit function itself.
- ▶ Best practice Chief Executives' Financial Instructions developed for use by agencies.
- ▶ Model financial statements, with commentary, developed for use by agencies. Separate models were produced to meet the differing needs of both departments and authorities.

- ▶ Three key financial courses presented, with excellent feedback regarding course content and presentation. Additionally, the branch provided three financial training sessions for women considering becoming board members for the Government or not-for-profit organisations.

**FUTURE DIRECTIONS** ▶ In 2003–04 the branch will work towards:

- ▶ adoption of International Accounting Standards and Harmonisation of Reporting Processes — amendment of accounting practices to enable harmonisation by 2005–06 with International Accounting Standards and also enable convergence of financial reporting requirements under generally accepted accounting practices and also the Government Financial Statistics frameworks;
- ▶ explanation of the *Financial Management Act 1996* (FMA) — to accompany the FMA development of ‘grey letter’ explanations of FMA provisions, to assist with correct application;
- ▶ Better Practice Guidelines — development of guidelines for instruction regarding the operation of key financial processes, often too individually large or complex to be addressed in the Chief Executive’s Financial Instructions, eg. grants administration; and
- ▶ Tax Compliance Framework — development of a tax compliance framework for use by agencies to minimise the risk to the Territory from possible non-compliance with taxation requirements.

**Further information can be obtained from:**

Mr Phil Hextell  
Director, Accounting  
(02) 6207 5760  
phil.hextell@act.gov.au

Ms Lisa Holmes  
Manager, Accounting  
(02) 6207 0207  
lisa.holmes@act.gov.au

Ms Kate Nesor  
Manager, Accounting  
(02) 6207 0299  
kate.nesor@act.gov.au

# Output Class 1: Financial and Economic Management

## OUTPUT 1.3: REVENUE MANAGEMENT

Refer 2002–03 Budget Paper 4 Page 96

Optimise tax revenue concurrent with achieving a simple, equitable and efficient tax system; develop revenue policy; and advise and assist clients to meet their obligations.

Note: This chapter incorporates the subsumed report for the Commissioner for ACT Revenue.

**ORGANISATION** Revenue Management Branch (RMB) collected revenue, developed policy and administered taxation legislation in the ACT. The branch provided a simple, equitable and efficient ACT tax system; managed a number of government financial assistance schemes; developed and reported on the performance of revenue forecasts; undertook compliance activities including the resolution of objections and appeals; participated in inter-jurisdictional taxation committees; administered the ACT Home Loan Portfolio; and maintained the ACT Revenue Office website.

### KEY PERFORMANCE MEASURES

- ▶ Manage agreed priority projects related to revenue research, policy and legislation.
- ▶ Monthly Revenue Analysis.
- ▶ Provide services and advice related to:
  - Client services;
  - Taxpayer Services (assessments, reminder notices, reconciliations, applications and data quality);
  - Compliance revenue per inspector;
  - Debt management — level of outstanding debt;
  - Objections and review of decisions;
  - First Home Owner Grant applications; and
  - Homebuyer Concession Scheme (duty).
- ▶ Relevant Minister's and Chief Executives' satisfaction with quality as assessed by a six-monthly survey.
- ▶ Relevant Minister's and Chief Executive's satisfaction with timeliness as assessed by a six-monthly survey.
- ▶ Improve the efficiency, flexibility and functionality of the state type tax and duty computer system.

**REVENUE FOR 2002–03** The 2002–03 un-audited result showed the branch being responsible for tax revenue totalling \$586.2 million (including \$32.9 million in waivers), approximately \$87 million above the 2001–02 audited outcome of \$499.2 million. This outcome is the result of growth in the ACT property market, which has boosted conveyance duty receipts, and an increase in payroll tax receipts.

**Further information can be obtained from the branch's website:**

<http://www.revenue.act.gov.au>

Dr Mark Mullins  
A/g Director, Revenue Management Branch  
(02) 6207 0010  
mark.mullins@act.gov.au

**COMPLIANCE** ▶ The section monitored and enforced compliance with ACT Taxation, Rates and Land Tax, and First Home Owner Grant (FHOG) legislation. These activities were undertaken in accordance with the *Taxation Administration Act 1999*, the *Rates and Land Tax Act 1926* and the *First Home Owner Grant Act 2000*, pursuant to the powers of the Commissioner for ACT Revenue.

**KEY RESULTS**

- ▶ Overall compliance activity for 2002–03 resulted in 394 assessments being issued, which resulted in revenue collection of \$3,776,898. The total revenue from compliance activity equates to \$441,856 per inspector.
- ▶ Focused compliance activity on FHOG recipients which led to an increase in repayments of these grants from previous years.
- ▶ Investigated Low Alcohol Liquor Subsidies Scheme claims resulting in subsidies being reduced by over \$610,000.
- ▶ Decreased debt levels in 2002–03 compared with 2001–02, and maintained the quarterly level of collectable debt at 1.5 per cent of revenue.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ continue to focus on assessing and ensuring compliance with the Territory's payroll tax legislation.

**Further information can be obtained from:**

Ms Cheryl Olley  
Manager, Compliance  
(02) 6207 0103  
cheryl.olley@act.gov.au

**RATES AND LAND TAX** ▶ This section administered general rates and land tax and provided services to rates and land tax payers.

**KEY RESULTS**

- ▶ Implemented significant system changes to support government policy changes.
- ▶ Modified software to implement the interim 2002–03 rating system, which saw the application of a CPI increase to charges for all ratepayers.
- ▶ Undertook a substantial amount of systems preparation in anticipation of the introduction of the proposed new rating system in 2003–04.
- ▶ Implemented the Government's initiative to impose land tax on residential properties owned by companies and trusts, and increased the land tax marginal rates for commercial properties from 1 October 2002.

- ▶ Implemented the Government's relief package for the victims of the January 2003 bushfires by providing waivers of rates and land tax for affected property owners.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ review and implement revised changes to the ACT Rating System in accordance with the Government's policy and direction.

**Further information can be obtained from:**

Mr Angel Marina  
 Manager, Rates and Land Tax  
 (02) 6207 0063  
 angel.marina@act.gov.au

**TAXATION SERVICES** ▶ The section was responsible for the activities of the Customer Service Centre, which assessed stamp duty, collected revenue and provided tax advisory services. It also administered self assessed taxes and exemption schemes related to the tax laws.

#### KEY RESULTS

- ▶ Maintained a customer focused 'over the counter' payment facility and telephone accounts inquiry service.
- ▶ Updated the Home Buyer Concession Scheme to reflect current property prices and income levels.
- ▶ Implemented the Government's relief package for the victims of the January 2003 bushfires by providing waivers of duty on the purchase of replacement homes and motor vehicles destroyed in the fires.
- ▶ Assessed and collected revenue under Territory tax laws.
- ▶ Implemented revenue initiatives announced in the 2003–04 Budget.
- ▶ Resumed responsibility for the management of the Home Loan Portfolio.

**FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ improve customer service, assessment and collection processes in conjunction with the replacement of the State Tax (STAX) computer system; and
- ▶ implement and provide electronic services for on-line lodgement and payment of Territory taxes.

**Further information can be obtained from:**

Mr David Read  
 Manager, Taxation Services  
 (02) 6207 0066  
 david.read@act.gov.au

**POLICY, LEGISLATION AND PROJECTS** ▶ The section provided policy development and advice; reviewed and amended legislation in relation to revenue matters; managed objections and appeals; and maintained management and budget data in respect of revenue collections.

#### KEY RESULTS

- ▶ Undertook a major analysis and review of the ACT rating system.

- ▶ Developed a number of revenue initiatives announced in the 2003–04 Budget.
- ▶ Facilitated community consultation programs in regard to the proposed rating system and the proposed mortgage duty initiative.
- ▶ Provided a detailed submission on tax revenue in the ACT to the Standing Committee on Public Accounts.
- ▶ Provided monthly revenue outcome and trends analysis.
- ▶ Updated the ACT Revenue Office website to include the latest tax law information, a web based complaints facility and a mechanism for community comment on exposure draft legislation.
- ▶ Improved financial reporting by reconciling the internal revenue system (STAX) to the departmental finance system (ORACLE).
- ▶ Provided accounting and financial reporting for the ACT Home Loan Portfolio.
- ▶ Forty-nine objections and seven appeals of decisions were completed in 2002–03. Thirty-one objection and litigation matters (valued at \$2.9 million) remain under consideration.
- ▶ Developed and implemented the following legislation:
  - the *Revenue Legislation Amendment Act 2002* (which amended the *Payroll Tax Act 1987* and the *Rates and Land Tax Act 1926*);
  - the *Revenue Legislation Amendment Act 2002 (No 2)* (which amended the *First Home Owner Grant Act 2000*, the *Payroll Tax Act 1987* and *Rates and Land Tax Act 1926*);
  - the *Duties Amendment Act 2003*;
  - the *Revenue Legislation Amendment Act 2003* (which amended the *Duties Act 1999*; and the *Gaming Machine Act 1987*); and
  - the *Rates and Land Tax Amendment Act 2003*.



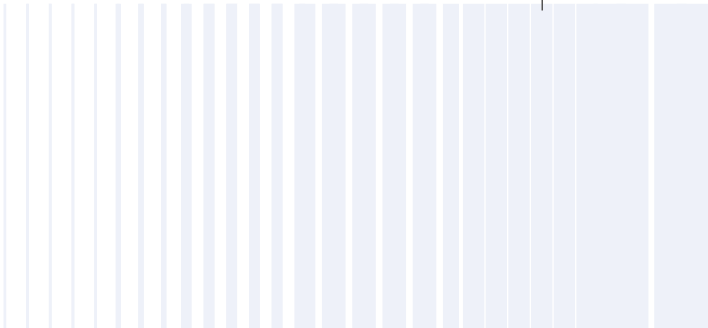
Staff of the Policy, Legislation and Projects Section

#### **FUTURE DIRECTIONS** ▶ In 2003–04 the section will:

- ▶ continue to improve revenue forecasts;
- ▶ contribute to the review of a number of duties as agreed under the *Intergovernmental Agreement on the reform of Commonwealth–State Financial Relations*; and
- ▶ provide policy advice and economic analysis for the introduction of a Parking Space Levy in conjunction with the Department of Urban Services.

#### **Further information can be obtained from:**

Mr Phang-Chun Lim  
 A/g Manager, Policy, Legislation and Projects  
 (02) 6207 0293  
 phang-chun.lim@act.gov.au



**STAX PROJECT** The STAX (State Tax) Project was responsible for managing the replacement of the current STAX computer system with a more modern system, providing for a more integrated and efficient approach to the collection of ACT taxes.

#### KEY RESULTS

- Finalised STAX Business requirements, based on user input from different areas of RMB, in November 2002.
- Developed a procurement plan to call for public tenders to replace the STAX system which was approved and released in December 2002.
- Provided an industry briefing on the procurement plan to explain the purpose of the project.
- Selected a preferred vendor for the project — contract negotiations are at the final stages and should be signed by the end of August 2003.

**FUTURE DIRECTIONS** In 2003–04 the section will:

- work towards finalising the replacement of the STAX computer system by June 2004.

**Further information can be obtained from:**

Mr Rao Gollakota  
Project Manager, STAX  
(02) 6207 0020  
rao.gollakota@act.gov.au

# Output Class 1 — Financial and Economic Management

## OUTPUT 1.4: PROCUREMENT SUPPORT SERVICES

Refer 2002–03 Budget Paper 4 Page 97

Includes procurement policy; buyers and sellers information services (basis), on-line procurement services, business opportunities, supplier notification of tenders and contracts and support to ACT Government purchasing officers; and the implementation of construction industry reforms including pre-qualification of suppliers and the provision of risk management services to ACT Government agencies.

**ORGANISATION** ▶ ACT Procurement Solutions Branch provided procurement advice and services, including tendering, contracting, and capital works delivery services to the majority of ACT Government agencies. The branch is the Territory's major source of expertise on procurement related issues and contributed to the achievement of value for money outcomes by a wide range of government agencies.

The branch also had significant involvement in bushfire recovery activities following the January 2003 bushfires. It assisted a wide range of ACT Government agencies in fire recovery activities including management of the Bovis Lend Lease Bushfire Demolition contract, replacement of lost ACT Housing stock, worked with Environment ACT on the redevelopment of Tidbinbilla, and assisted ACT Forests and others to put in place contracts to facilitate the recovery.

The branch's approach to the treatment of risk in procurement was recognised internationally in May 2003, when a leading North American publisher of information on tendering issues reviewed hundreds of websites and organisations to identify best practice in risk management in public sector procurement. The Procurement Support Services' 'basis' website, which provides access to the full range of procurement guidelines and circulars developed by the branch and issued by the ACT Government Procurement Board, was one of the sites reviewed. The resulting publication by Michael Asner Consulting, stated:

*'Of the sites reviewed, this (the Australian Capital Territory BASIS site) was the best. It provided the most comprehensive treatment of RISK in the context of the RFP/Procurement Process. Their approach in terms of policy and practice is the best model we found in our investigations.'*

### KEY PERFORMANCE MEASURES

- ▶ Procurement guidelines and circulars reviewed or issued.
- ▶ On-line Procurement Services — number of business opportunities notified to local suppliers.
- ▶ On-line Procurement reform — net increase in suppliers registered on 'basis'.
- ▶ Risk Management Services — number of tenders called.
- ▶ Risk Management Services — number of contracts let.
- ▶ The proportion of the Government funded annual capital works program supported with project director services.
- ▶ Australian Capital Region (ACR) Online.
- ▶ Quality Management Systems Compliance under ISO9001:2000 — number of Category 1 non-conformance findings.
- ▶ Customer satisfaction with ACT Procurement Solutions.
- ▶ Procurement guidelines and circulars reviewed or issued within agreed timeframes.

- ▶ On-line Procurement Services — responses to queries received via the help line services (basis) responded to within 24 hours.

**Further information can be obtained from:**

Mr John Robertson  
 Director, ACT Procurement Solutions  
 (02) 6207 0265  
 john.robertson@act.gov.au



*City Walk Stage 5 Upgrade managed by Procurement Solutions on behalf of Canberra Urban Parks and Places (DUS). (Photo: M Wright)*

**PROCUREMENT AND CONSTRUCTION INDUSTRY POLICY SECTIONS** ▶ These sections provided advice to the Government and the Government Procurement Board, developed procurement guidelines, circulars and legislation; represented the ACT in Australian Procurement and Construction Council activities; and contributed to the development of international trade agreements.

It should be noted that details of the operation of the Government Procurement Board as a statutory body are included in its separate annual report.

### KEY RESULTS

- ▶ Reviewed and provided advice to the Government Procurement Board on 17 existing and new procurement guidelines and circulars.
- ▶ Developed a draft guideline on Tender and Quotation Thresholds that was circulated for industry comment.
- ▶ Issued, or circulated for public comment, circulars on the following topics:
  - Staged Tender Evaluation;
  - Risk Management;
  - *Public Access to Government Contracts Act 2000*;
  - *Government Contractual Debts (Interest) Act 1994*;
  - Interest on Commercial Accounts;
  - Insurance, Indemnities and Guarantees;
  - Equal Employment Opportunity;
  - Notifiable and Reportable Contracts;
  - Probity and Ethical Behaviour; and
  - Moral Rights.
- ▶ Prepared responses to two Private Members Bills on procurement issues.

- ▶ Conducted seminars and training activities for ACT officials and industry representatives on changes in procurement legislation and emerging issues.
- ▶ Reviewed the *Public Access to Government Contracts Act 2000* and related reports.
- ▶ Developed and implemented the Public Access to Government Contracts Amendment Bill 2002 and the Government Procurement Amendment Bill 2003.
- ▶ Co-ordinated the Australian Procurement and Construction Council review of the Australia–New Zealand Government Procurement Agreement and monitored developments in government procurement components of the Australia–Singapore Free Trade Agreement and the proposed US–Australia Free Trade Agreement.

**Further information can be obtained from:**

Mr Robert Irvin  
 Manager, Procurement Policy  
 (02) 6207 5876  
 robert.irvin@act.gov.au

### CONTRACT, TENDERING AND PROCUREMENT SUPPORT SERVICES SECTIONS ▶

These sections provided advice to and assisted a wide range of ACT Government agencies with the development of procurement, risk management and tender evaluation plans, Requests for Tender and contract documentation; managed the ACT Government's largest Approved Procurement Unit; development of whole of government purchasing arrangements and associated contract administration (eg stationery); Tender Box and tender opening service for other agencies.

#### KEY RESULTS

- ▶ During 2002–03 the branch called 391 tenders and let 415 contracts to a value of almost \$400 million on behalf of a wide range of other ACT Government agencies.
- ▶ Established the Central Contracts Register under the *Government Procurement Act 2001* which, from 1 July 2003, provided the public with online access to information on all new ACT Government contracts worth \$50,000 or more.
- ▶ The Procurement Solutions Approved Procurement Unit (APU) considered procurement plans, including risk management and evaluation plans and requests for tender documentation for over 160 discrete projects with a combined value exceeding \$414 million to ensure compliance with government procurement policy and best practice procurement methodologies.
- ▶ Registered 127 new suppliers on the basis web-site, a net increase of 4 per cent, and notified 1,848 business opportunities to local suppliers.
- ▶ All 187 help line queries received via basis were responded to within 24 hours.

**Further information can be obtained from:**

Mr Eric Blackburn  
 Manager, Procurement Services  
 (02) 6207 5564  
 eric.blackburn@act.gov.au

**INFRASTRUCTURE PROCUREMENT SECTION ▶** The section assisted ACT agencies with the development of capital works procurement documentation and administration of tender processes; contract formation and management for the delivery of capital works projects on behalf of other agencies, including arranging payment of supplier invoices; continued administration and

development of the Construction Industry Suppliers Pre-Qualification Scheme, including consultant/contractors performance assessment arrangements.

### KEY RESULTS

- ▶ Delivered 65 per cent of the whole of government capital works program.
- ▶ Managed:
  - the development of a child care centre and the new primary and high schools in Gungahlin;
  - extensive improvements to a range of facilities at the Canberra Hospital; and
  - significant road works across the ACT, including the Barton Highway and Monaro Highway improvements.



*Gungahlin Drive Bridge over the Barton Highway dual carriageway, construction managed by Procurement Solutions on behalf of RoadsACT (DUS). Photo: SMEC*

- ▶ Enhanced the Construction Industry Suppliers Pre-qualification scheme by incorporating Environmental Management and OHS&R Management systems requirements from 1 January 2003.

#### Further information can be obtained from:

Mr David Evans  
 Manager, ACT Projects  
 (02) 6207 6345  
 david.evans@act.gov.au

#### FUTURE DIRECTIONS ▶ In 2003–04 Procurement Solutions will:

- ▶ improve and expand on-line procurement systems for the benefit of ACT agencies and potential suppliers of goods, services and works, including increasing the accessibility of the basis website;
- ▶ manage the on-going implementation of the Central Contracts Register;
- ▶ review the complete range of Procurement Guidelines and circulars, including replacement of all remaining pre-Procurement Board guidelines in consultation with the Government Procurement Board, ACT agencies, industry and union representatives to maintain the ACT's position as a leading international public sector procurement practitioner;
- ▶ put the pre-qualification system online, enabling suppliers to apply and update information online and staff of other agencies to access the system;
- ▶ modernise the Consultant/Contractor Performance Assessment system and integrate it more efficiently with the pre-qualification system;
- ▶ complete the review of e-tendering systems used by other jurisdictions and use that information to determine an appropriate approach for the ACT, with a view to e-tendering arrangements commencing in 2004;
- ▶ update branch documentation and systems, including template plans, contracts, the Project Management Manual and basic engineering and architectural briefs; and
- ▶ continue to develop staff skills to improve flexibility, responsiveness, the quality of services provided to individual client agencies and the quality of outcomes for the community.

Further information can be obtained from the 'basis' website: <http://www.basis.act.gov.au/>

## Output Class 1 — Central Financing Unit

### OUTPUT 1.1: CENTRAL FINANCING UNIT

Refer 2002–03 Budget Paper 4 Page 111

Management of the investment and borrowing activities of the ACT Government.

**ORGANISATION** ▶ The Central Financing Unit (CFU) managed the central finances of the Territory. The unit provided services to the Government that included financial asset and liability management through the establishment of investment and borrowing policies and objectives, and the coordination of investment and borrowing activities.

CFU also managed the surplus cash balances of the ACT and invested funds through external managers within cashflow requirements and established investment policies. The unit was also responsible for the administration of the ACT's debt portfolio and the management of the Territory's debt servicing liabilities, including overseeing the Territory's motor vehicle financing facility and the Territory's transactional banking arrangements.

The objective of the CFU was to effectively manage the capital markets functions through the maximisation of returns on investments within relevant risk tolerances; the achievement of competitive borrowing rates commensurate to the ACT's credit rating; and the development of effective financial risk management strategies.

The CFU, through the Territory Banking Account, recognised and managed the Government's general debt liability. Revenues on behalf of the Territory were transferred to the Territory Banking Account and fortnightly appropriation disbursements to agencies were made from that account.

The unit utilised an external fund manager, Alliance Capital, to assist with the management of investment funds. Alliance Capital managed two portfolios for the Territory: a cash enhanced fund comprised of cash, bank bills, promissory notes and a small percentage which was invested in government and semi-government bonds; and a fixed interest fund.

#### KEY PERFORMANCE MEASURES

- ▶ Management of the Public Account and Group set-off balance.
- ▶ Monitor and Review the Debt Portfolio.
- ▶ Monitor and review the investment performance of the Government's general investment funds.

#### KEY RESULTS

- ▶ The surplus cash position of the Territory Banking Account and the aggregated surplus cash position of the Territory's banking accounts were managed on a daily basis (business days) during 2002–03. The average daily balance of the group set-off cash balance was a daily average balance of \$12.9 million.
- ▶ Appointment of risk advisory consultant to assist with a full review of the Debt Portfolio, including the development of benchmarks was completed in December 2002. The revision and implementation of the debt policy and financial benchmark will be completed in 2003–04.
- ▶ The 2002–03 financial year result of the general government investment portfolio out performed the pre-determined benchmark. The investment returns achieved (after fees) for 2002–03 were as follows:
  - Cash Enhanced Fund: investment return of 5.10 per cent was achieved against a benchmark of 4.97 per cent; and

- Fixed Interest Fund: investment return of 9.76 per cent was achieved against a benchmark of 9.78 per cent.

This equates to a total weighted portfolio return of 6.54 per cent against a weighted benchmark of 6.49 per cent.

**FUTURE DIRECTIONS** In 2003–04 the unit will work towards:

- completing the review of the investment strategies and external funds management arrangements for the Government’s general investments that commenced in 2002–03;
- undertaking a tender process for the appointment of a new service provider to provide master custody services to the CFU. Commonwealth Custodial Services (CCS), the CFU’s current Master Custodian, announced in March 2003 its intentions to divest the business;
- completing the review of the Government’s borrowing policies, strategies and financial benchmarks that commenced in 2002–03, including the implementation of any new arrangements; and
- providing recommendations to government outlining the financing options for the ACT’s motor vehicle fleet.

**Further information can be obtained from:**

Mr Roger Broughton  
Executive Director  
(02) 6207 6082  
roger.broughton@act.gov.au

Mr Patrick McAuliffe  
Manager  
(02) 6207 0187  
patrick.mcauliffe@act.gov.au

## Output Class EBT — Superannuation Unit

### OUTPUT 1.1: SUPERANNUATION UNIT

Refer 2002–03 Budget Paper 4 Page 137

Management of the superannuation provision account and administration of the superannuation scheme for Members of the Legislative Assembly

**ORGANISATION** ▶ The Superannuation Unit was responsible for the management of the funds set aside to meet liabilities of the Territory and its agencies relating to employer superannuation, and for the administrative operations of the superannuation arrangements for Members of the Legislative Assembly (MLAs).

All permanent ACT Government employees are members of either the Commonwealth Superannuation Scheme (CSS) or the Public Superannuation Scheme (PSS), both of which are Commonwealth defined benefit superannuation schemes. For more information on the Commonwealth CSS/PSS defined benefit superannuation schemes call 13 23 66 or visit the websites (<http://www.css.gov.au/> or <http://www.pss.gov.au/>).

The Superannuation Provision Account (SPA) was established in 1991 to assist the ACT Government in managing its superannuation liabilities. The SPA is not a superannuation scheme for ACT Government employees, but an ACT Government account that receives appropriations and makes payments in connection with the ACT Government's superannuation liabilities to the Commonwealth and MLAs.

The SPA receives appropriations and contributions from the ACT Budget and 'off-budget' government agencies and complies with the *Territory Superannuation Provision Protection Act 2000*. During 2002–03 capital injections into the SPA amounted to \$68.8 million.

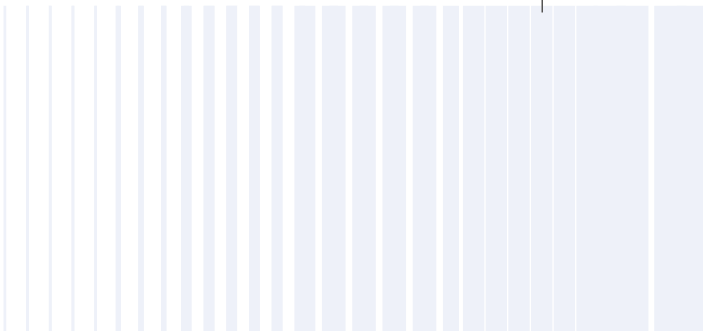
The key investment objective of the SPA is to achieve a long-term annual rate of return averaging 5 per cent real (net of fees). This reflects the actuarially assumed earnings rate necessary to achieve a long-term objective of a 90 per cent level of funding of the Territory employer superannuation liability by 2039–40.

#### KEY PERFORMANCE MEASURES

- ▶ Monitor and review the investment performance of the Superannuation Investment portfolio.
- ▶ Actuarial revision of Territory superannuation liability.
- ▶ Production of annual member statements for MLA superannuation scheme.

#### KEY RESULTS

- ▶ Through active monitoring and review of the investment portfolio performance, the 2002–03 financial year result out-performed the benchmark. The SPA investment return achieved for 2002–03 was 0.2 per cent compared with a benchmark return of -1.8 per cent. This result was achieved even with both of the Territory's active equity investment managers under-performing their respective benchmarks.
- ▶ An actuarial review of the accrued and projected superannuation liabilities of the ACT Government was completed in February 2003.
- ▶ Annual superannuation statements were issued for all MLAs by the end of September 2002.



**FUTURE DIRECTIONS** In 2003–04 the unit will work towards:

- ▶ finalising the appointment and implementation of external fund managers for all asset classes of the SPA investment portfolio, after a comprehensive review of existing and alternative external fund managers was undertaken and completed during 2002–03;
- ▶ finalising the open tender, appointment and implementation of a service provider to deliver actuarial services to the Territory for the SPA; and
- ▶ undertaking a tender process for the appointment of a new service provider to provide master custody services to the SPA. Commonwealth Custodial Services (CCS), the SPA's current Master Custodian, announced in March 2003 its intentions to divest the business.

**Further information can be obtained from:**

Mr Roger Broughton  
Executive Director  
(02) 6207 6082  
roger.broughton@act.gov.au

Mr Garry Cartwright  
Manager  
(02) 6207 0178  
garry.cartwright@act.gov.au



## Output Class 1 — Home Loan Portfolio

### OUTPUT 1.1: HOME LOAN PORTFOLIO

Refer 2002–03 Budget Paper 4 Page 118

Administration of the ACT Home Loan Portfolio.

**ORGANISATION** ▶ The Revenue Management Branch (RMB) assumed responsibility for management of the ACT Home Loan Portfolio from Perpetual Trustee on 3 December 2002. The Portfolio consists of a number of home loans formerly provided by ACT Housing. Administration of the Portfolio entailed collecting and accounting for mortgagor payments, arrears management, preparing bi-annual loan account statements, responding to mortgagor information requests and processing mortgage discharges.

#### KEY PERFORMANCE MEASURES

- ▶ Number of Home Loans managed.
- ▶ Interest rates applied are in line with Commonwealth Bank of Australia's standard variable home loan rate.
- ▶ Commonwealth loans are repaid on time.
- ▶ Administrative services provided in line with completion dates and agreed turnaround times.

#### KEY RESULTS

- ▶ The ACT Home Loan Portfolio had 907 loans under management during 2002–03.
- ▶ Interest rates applied to loans administered by the Portfolio were in line with the Commonwealth Bank of Australia's standard variable home loan rate.
- ▶ Repayments for all Commonwealth loans were paid in accordance with the relevant loan repayment schedules.
- ▶ The Portfolio provided administrative and loan management services by the stipulated completion dates and agreed turnaround times.

**FUTURE DIRECTIONS** ▶ In 2003–04 the Home Loan Portfolio will work towards:

- ▶ continuing the development of policies and strategies for the management of home loans; and
- ▶ developing effective strategies for the reduction of outstanding arrears.

#### Further information can be obtained from:

Dr Mark Mullins  
A/g Director, Revenue Management Branch  
(02) 6207 0010  
mark.mullins@act.gov.au

Mr David Read  
Manager, Taxation Services  
(02) 6207 0066  
david.read@act.gov.au

## Output Class 1 — InTACT

### OUTPUT 1.1 INTACT

Refer 2002–03 Budget Paper 4 page 127

The provision and maintenance of IT infrastructure and communications for the ACT Public Service.

**ORGANISATION** InTACT's role was to supply, manage and maintain the Government's Information and Communication Technology (I&CT) infrastructure on a cost effective and efficient basis. InTACT was responsible for I&CT equipment infrastructure services, together with common and standard operating environments on all network servers and desktop infrastructure. It also ensured that:

- ▮ the infrastructure was managed to meet client business needs; and
- ▮ the Government gained maximum benefit from its I&CT investment.

#### KEY PERFORMANCE MEASURES

- ▮ Principal agencies serviced by InTACT.
- ▮ Whole of government IT systems managed by InTACT.
- ▮ Benchmarking of InTACT's core activities.
- ▮ Major IT infrastructure initiatives undertaken.
- ▮ Number of occasions of IT and communication services provided by InTACT.
- ▮ Effectiveness of delivery of IT services to agencies consistent with InTACT Charter, as reflected in individual Service Level Agreements (SLA).
- ▮ Customer service through help desk consistent with agreed levels.
- ▮ Specified timeframes achieved for the provision of IT services, as reflected in individual SLA.
- ▮ IT infrastructure initiatives completed within specified timeframes.

**JANUARY BUSHFIRES** During 2002, considerable emphasis was placed on InTACT's preparedness for emergencies, with extensive revision of existing Business Continuity and Disaster Recovery Plans. This work was tested during the January bushfires. The exceptionally high level of service InTACT provided to customers during that time was reflected in the many letters of thanks and Certificates of Appreciation that have been received.

Critical aspects of the support provided by InTACT during the emergency included:

- ▮ at the height of the fire, the maintenance of services which allowed critical systems to remain operational including those at The Canberra Hospital;
- ▮ establishment of a 24-hour support service from midday on 18 January continuing until the cessation of the State of Emergency period on 28 January;
- ▮ rapid response to requests for assistance, most notable of which included providing IT support for:
  - the establishment of the Bushfire Recovery Centre at Lyons;
  - the establishment of the Bushfire Taskforce; and
  - enabling the Health Protection Service to be active in its new site on Tuesday 21 January after the original facility had been destroyed on 18 January;

- ▶ installation of generator capacity at the main Callam Offices facility by Friday 24 January; and
- ▶ engagement of the Victorian State Emergency Services to facilitate a debrief on the crisis with InTACT staff and customers.

**Further information can be obtained from:** [www.intact.act.gov.au](http://www.intact.act.gov.au)

Mr Michael Vanderheide  
General Manager  
(02) 6207 5757  
[michael.vanderheide@act.gov.au](mailto:michael.vanderheide@act.gov.au)



*Dean Seymour, one of the InTACT Helpdesk Service providers*

**SERVICE DELIVERY BRANCH** ▶ This branch provided the design and delivery of data processing services, telecommunications networks and central computing facilities; whole of government and agency-specific business systems; help desk and on-site support services; and high level advice to government on technology-related issues.

#### KEY RESULTS

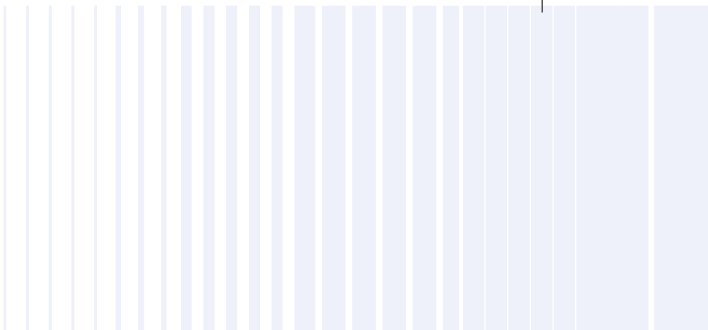
- ▶ Received 141,477 contacts in the Customer Support Centre with an average response time of 23.91 seconds and an abandonment rate of 5.59 per cent.
- ▶ Commissioned an Enterprise Server in November 2002 which enabled the whole of government upgrade of Oracle Government Financials. This server will also provide a platform for the future Integrated Document Management System and Human Resource System Solutions applications.
- ▶ Commenced a Request For Proposal process for the provision of data and voice communication services.
- ▶ Tested over 1,000 applications for operation in the new COE 2000 environment and migrated approximately 7,000 workstations to the new environment.
- ▶ Provided extensive staff training to enable effective support of COE 2000.
- ▶ Managed over 80 projects at any one time (Customer Projects Group).
- ▶ Extensively reviewed the Business Continuity and Disaster Recovery Plans.
- ▶ Established a 24-hour support service during the January Bushfire crisis.

**FUTURE DIRECTIONS** ▶ In 2003–04 the branch will work towards:

- ▶ upgrading of current Uninterruptible Power Supply arrangements;
- ▶ improved incident, problem and request for change management systems to facilitate improved customer service; and
- ▶ improved management and monitoring of I&CT network, server and desktop infrastructure.

**Further information can be obtained from:**

Mr Richard Hart  
Director, Service Delivery  
(02) 6207 5013  
[richard.hart@act.gov.au](mailto:richard.hart@act.gov.au)



**BUSINESS OPERATIONS BRANCH** The branch provided a range of business support services to other business units within InTACT and to external clients. These services included acquisition and management of IT assets; engagement with clients via service level and support agreements; contract, quality and performance management and associated systems; human resource management; and the provision of corporate and executive support.

### KEY RESULTS

- ▶ Completed tender processes to replace previous Strategic Partnership Agreements — the new contracts for the supply of IT equipment will deliver cost savings.
- ▶ Acquired and installed 8,263 pieces of equipment on behalf of clients.
- ▶ Negotiated new licence arrangements with Microsoft to ensure whole of government licence compliance.
- ▶ Implemented a contracts management system to manage the 120 contracts that InTACT has with vendors.
- ▶ Further development of the Asset Tracking Lease Administration System (ATLAS) database to improve data integrity.
- ▶ Redeveloped SLAs including the development of a Catalogue of Services.
- ▶ Published *InFACT* fact sheets to enable individuals to make the best use of InTACT services and their own IT equipment.
- ▶ Commenced monthly 'Executive Updates' to each client agency.
- ▶ Completed a Request for Proposal process for the provision of IT contractor management services within InTACT.
- ▶ Commenced security vetting of staff for designated security positions.
- ▶ Developed an InTACT Knowledge Portal to provide comprehensive and up-to-date information for staff.
- ▶ Implemented a revised performance management program for all staff.

**FUTURE DIRECTIONS** In 2003–04 the branch will work towards:

- ▶ improving SLA charging and billing;
- ▶ improving asset management and tracking systems; and
- ▶ consolidating and managing new IT equipment and services contracts.

**Further information can be obtained from:**

Mr Ron Shaw  
Director, Business Operations  
(02) 6207 6198  
ron.shaw@act.gov.au

**IT SECURITY UNIT** Established as a separate unit in October 2002, the unit implemented and managed information security; provided security consultancy services to all IT projects; provided a central point for all security education and awareness training; managed the incident response process; and investigated information security-related incidents.

## KEY RESULTS

- ▶ Established an IT Security Framework which included the development of a number of policies within the InTACT Quality Management System.
- ▶ Established an IT Security Group staffed with permanent staff. The group has been staffed to allow the rapid implementation of the projects identified in the IT Security Work Plan.
- ▶ Undertook security audits and consultancies, including audits of levels of privilege within InTACT and a review of InTACT's asset management processes, to identify where a focus on security should be established.
- ▶ Published the *ACT Government Guide to IT Security* brochure.
- ▶ Deployed an Intrusion Detection System to permit the gathering of key network data to enable the design and implementation of effective security measures across the whole of government IT platform.
- ▶ Established an effective vetting and privileges management scheme to ensure that sensitive applications and servers are only accessed by individuals with the requisite levels of trust.
- ▶ Enhanced the levels of auditing performed across ACT Government Servers to permit forensic investigation of incidents.
- ▶ Participated in major agency IT systems development projects to ensure the early identification of key security requirements is achieved, including the:
  - whole of government Human Resource Management Information Systems (HRMIS);
  - ACT Library Information System;
  - InTACT asset management system ATLAS; and
  - Cervical Cytology System supporting the management of cytology test results from external pathology laboratories.

## FUTURE DIRECTIONS ▶ In 2003–04 the unit will:

- ▶ work towards implementation of an improved I&CT security framework commensurate with Non-National Protected classification; and
- ▶ conduct audits of risk in the areas of software licensing and network vulnerability.

### Further information can be obtained from:

Mr Peter Major  
Manager, IT Security  
(02) 6207 0073  
peter.major@act.gov.au

**FINANCE AND ACCOUNTING UNIT ▶** The unit provided accounting, financial and budget management services; managed InTACT's Treasury function (cash and investment); managed the accounts payable, billing and receivables; provided input into InTACT's strategic direction and key business initiatives; and managed InTACT's financial management system (Oracle).



## KEY RESULTS

- Established a Pricing Group to develop a comprehensive pricing and costing framework for InTACT.
- Developed a new Chart of Accounts to enable recording of costs in a manner that assists InTACT in pricing its services.
- Provided assistance to the Gartner Group who were conducting benchmarking of InTACT's services of behalf of ACTIM.

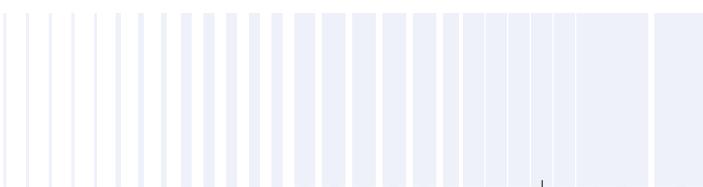
## FUTURE DIRECTIONS

• In 2003–04 the unit will work towards:

- improving the quality of reporting and streamline reporting practices;
- coordinating the successful introduction of a comprehensive pricing model for InTACT services; and
- improving agency billing to address timeliness and accuracy by coordinating invoicing and the resolution of disputes.

### Further information can be obtained from:

Ms Betty Edwards  
Financial Controller  
(02) 6207 1228  
[betty.edwards@act.gov.au](mailto:betty.edwards@act.gov.au)



# 2002–03 KEY ISSUES

## Community Engagement

The Department of Treasury is committed to providing outstanding quality service to its clients and to the broader general community. During 2002–03 a number of branches within the department sought to involve the community in their respective activities by encouraging feedback on issues affecting the community as a whole.

In preparation for the 2003–04 Budget, the Treasurer invited both the issues-based Standing Committees of the ACT Legislative Assembly and the ACT Community to provide input on the priorities for that budget. In response to community feedback received during the development of the 2002–03 Budget, the release of the Budget Consultation document for 2003–04 was brought forward from February to December 2002. That document provided an outline of the major issues then facing the ACT. A total of forty three budget submissions were received from a range of community, business, sport, union and environmental groups. Major issues are presented within the 2003–04 Budget Paper No. 3 Part 8.

The Insurance Policy Unit has undertaken extensive community consultation over the last year. Twenty full day community risk seminars were held which attracted 300 community leader participants. A number of public meetings and public seminars were held with both community and business groups to articulate the government's tort reform and policy responses to the insurance crisis, together with seminars to promote the risk advisory web site. These meetings attracted in excess of 1,000 people. Targeted meetings have also been held with community, professional and multicultural groups.

It should also be noted that apart from the seminars and meetings noted above, the insurance risk advisory website has been translated into Japanese and can be accessed in eight languages via instant translation software. The risk planning tools have been replicated in Braille and the on line risk guide can be accessed in a 'no frames' format to facilitate access by those whose web browser technology is not as modern as the most recent versions. This is designed to allow people using older versions of windows and older computers to have equivalent access to the site and its facilities.

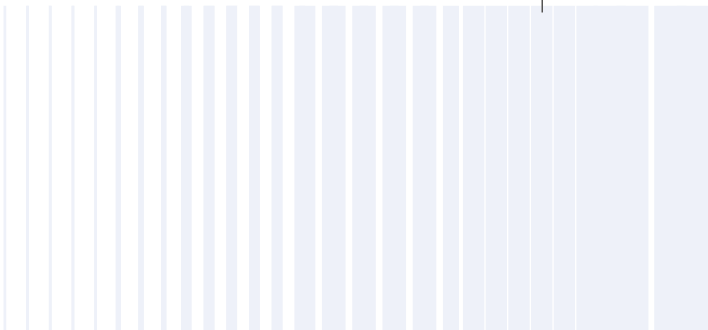
In order to increase client service through the provision of more convenient payment options, the ACT Home Loan Portfolio issued all home loan clients with an ACT Home Loan BPAY and Australia Post Payment Card. The new card provides clients with simple and convenient options for making their home loan payments.

- ▶ BPAY is an electronic payment service that enables clients to make payments over the telephone or via the internet. The BPAY side of the payment card supplies the client with all the information necessary to make a home loan payment using that facility.
- ▶ The Australia Post side of the payment card supplies the client with all the necessary information to make home loan payments at any Australia Post outlet throughout Australia.

A letter advising the client of the new payment options accompanied the payment card.

During 2002–03 ACT Procurement Solutions consulted with major industry associations on the development of procurement policies, in particular those relating to:

- ▶ Staged Tender Evaluation;
- ▶ Risk Management;
- ▶ Insurance, Indemnities and Guarantees;
- ▶ Probity and Ethical behaviour; and
- ▶ Tender and Quotation Thresholds.



Information seminars were conducted with construction industry suppliers during the year to provide information on the new requirements for Occupational Health and Safety Management Systems (OH&SMS) and Environmental Management Systems (EMS) to meet pre-qualification requirements. Discussions were also held with industry associations on topics such as intellectual property, an issue that will require further consideration in 2003–04.

A major achievement for Procurement Solutions was the establishment of the Central Contracts Register in accordance with the new provisions of the Government Procurement Act 2001. The Register is designed to enhance public access to information on government contracts by providing online access to information on all new ACT Government contracts worth \$50,000 or more. The Contracts Register may be accessed at <http://www.contractsregister.com.au>.

In 2002–03 the ACT Revenue Office continued to provide high quality service to its clients. To facilitate the provision of this service, and in recognition of feedback being an important management tool which assists in ensuring the performance of the office meets the needs and expectations of the community, the revenue website has been expanded to include a 'Your Say' feature. This feature allows members of the public to comment directly about the service received from the ACT Revenue Office or, if they are dissatisfied with the outcome of a complaint, they can use this facility to ask the Commissioner for ACT Revenue to review that decision. 'Your Say' can be found at <http://www.revenue.act.gov.au>. Correspondence can also be e-mailed to [revenue.policy@act.gov.au](mailto:revenue.policy@act.gov.au) or posted to the address below.

In regard to ACT taxpayers who object to an assessment, or ratepayers who object to a land valuation, these objections must be made in writing and forwarded within 60 days of the assessment or valuation notice being issued to them, to:

Commissioner for Revenue  
ACT Revenue Office  
PO Box 293  
CIVIC SQUARE ACT 2608

Should a person be dissatisfied with the Commissioner's decision on an objection in relation to a tax assessment or land valuation, they may appeal to the Administrative Appeals Tribunal (AAT) for a review of that decision.

## Aboriginal and Torres Strait Islander Reporting

The ACT Government has prioritised the development of an Aboriginal and Torres Strait Islander Policy Framework to advance the issues of health, housing, justice employment, education and training for Aboriginal and Torres Strait Islander citizens of the ACT. The Department of Treasury has participated in departmental committees in the oversight of the ACT Policy Framework document and its associated strategies.

## Multicultural Framework

The table below summarises activities managed throughout the department, relating to the Framework for a Multicultural Australian Capital Territory 2001–05.

Action	Outcome
Monitor the integration of the <i>Framework for a Multicultural Australian Capital Territory 2001–2005</i> into strategic and operational planning processes.	Relevant aspects of the framework have been integrated into the Strategic Plan and Management Framework where they are included as specific items linking to individual performance agreements and training activities.
Facilitate staff participation in the Multicultural Staff Network.	The Deputy Chief Executive of Treasury chairs the Network and drives the agenda. Membership has increased from 80 to 135 as at 30 June 2003. All relevant staff are encouraged to participate in this initiative through circulars and information on the Business Portal.
Engage professional interpreters where appropriate if clients have difficulties communicating in English, and ensure that staff are aware of the appropriate procedure for the use of interpreters described in the booklet <i>Working with Interpreters</i> available from the Office of Multicultural and Community Affairs. Bilingual staff are a valuable resource in providing assistance to clients, but should not be used in complex medical or legal situations.	All Customer Service standards incorporate guidelines for the use of interpreters, particularly Revenue Management Branch. Many Treasury staff have language skills and are available to assist clients in appropriate situations.
Continue to ensure that all significant ACT Government publications and websites incorporate information on how to access interpreting assistance.	Interpreter contact information is provided at shopfronts, on the website and in relevant publications. Further, the Treasury insurance risk advisory website has been translated into Japanese and can be accessed in eight languages via instant translation software.
Adopt a planned approach to the production and dissemination of information regarding services, policies and activities in English and other languages after consultation with client groups. This will include decisions on whether there is a need to translate documents into languages other than English.	The Revenue Management Branch has considered this action. To date the production of information in other languages does not appear to have been justified due to the lack of demand. However, this will be reviewed in 2003–04.
Plan for language services by incorporating interpreting and multilingual information needs into internal agency budgeting, human resource and client service program management; and make maximum use of the cultural and linguistic skills of employees in the development and implementation of this planning.	The ACT Government Multicultural Staff Network, chaired by the Deputy Chief Executive of Treasury, has compiled a skills register which includes language skills of members. The wider use of the register as a resource by all ACT Government staff will be investigated in the coming year.

Action	Outcome
<p>Ensure that cultural awareness training is a component of senior management performance agreements.</p>	<p>All department Executives have participated in cultural awareness training. The department, through the Staff network, is working with the Chief Minister's Department on the on-line cultural awareness training program.</p>
<p>Ensure that policy development and planning for service provision are informed by data on the community to which the policies apply and to whom services are provided, including:</p> <ul style="list-style-type: none"> <li>• country of birth;</li> <li>• main language other than English spoken at home;</li> <li>• proficiency in English;</li> <li>• gender; and</li> <li>• age group.</li> </ul>	<p>The Revenue Management Branch is the main service delivery area of Treasury. These issues are considered by that branch as appropriate.</p>
<p>Ensure that consultation strategies include all clients eligible to access services, including those from culturally and linguistically diverse backgrounds. Ensure that a variety of consultation methods are used appropriate to the cultural background, age, gender and other characteristics of the community to be consulted. These methods include discussion papers, focus groups, regular networking, community meetings and joint planning processes.</p>	<p>The Revenue Management Branch is the main service delivery area of Treasury. These issues are considered by that office as appropriate.</p>
<p>Continue to monitor the membership of government boards and committees so that they reflect the make-up of the community as far as possible in terms of gender, age and cultural background. (The Multicultural and Community Affairs Group has developed a Register of Multicultural Advisers that lists details of Canberrans from culturally and linguistically diverse backgrounds who are interested in appointment to boards and committees).</p>	<p>In recommending membership to Government Boards and Committees, the department consulted with the M&amp;CA group to include members from culturally and linguistically diverse backgrounds, where appropriate.</p>



*Members of the whole of government Multicultural Staff Network at a seminar sponsored by the Department of Treasury*

Action	Outcome
<p>Promote diversity in the workplace through measures including:</p> <ul style="list-style-type: none"> <li>• using multicultural community radio and community groups to disseminate information and to promote employment opportunities;</li> <li>• recognising and utilising the skills of multilingual staff members, and encouraging staff to develop these skills;</li> <li>• having staff who speak languages other than English accredited with the National Accreditation Authority for Translators and Interpreters (NAAATI);</li> <li>• providing information for staff on the procedure for obtaining recognition of overseas qualifications and about opportunities to participate in workplace English language learning programs;</li> <li>• addressing requirements for specific workplace provisions as appropriate eg, prayer rooms, cultural leave; and</li> <li>• integrating cross-cultural issues into orientation, team training and professional development programs.</li> </ul>	<p>The department is actively pursuing initiatives to recognise and utilise the skills of multilingual staff members through the ACT Government Staff Network. A register of those with multilingual skills is utilised by the Multicultural Staff Network.</p>

## Fraud Prevention

Fraud and corruption prevention is governed at a service wide level through the ACT Public Service Fraud and Anti-Corruption Framework. A review of this framework is currently in progress. In addition, a report by the Auditor-General, *Management of Fraud and Corruption Prevention in the Public Sector, No. 4 of 2003*, has highlighted the need for the whole of government framework to be strengthened and, at agency level, the implementation of more effective strategies to adequately deal with fraud and corruption.

In accordance with the requirements of the Public Sector Management Standards, the department developed a Fraud Control Plan for the period 2002–2004. Risks were assessed at organisational and Business Unit levels, with Business Units being required to formulate plans to reduce risks to acceptable levels. Strategies have since been developed in all Business Units with implementation being monitored by the department's Audit Committee. At the organisational level, the *Chief Executive's Financial Instructions* have been revised to address the corporate issues raised in the Fraud Control Plan.

The department has developed, in consultation with a local provider, a program of fraud awareness training for all staff. This will assist staff to identify situations likely to be encountered in the workplace, and to develop appropriate responses.

The Director, Corporate Services, is the Senior Executive Responsible for Fraud Administration (SERFA) for the department. All staff have access to information concerning fraud awareness and prevention, and details of the appropriate contact persons, through the Department's intranet.

**INCIDENTS OF FRAUD REPORTED DURING 2002–03** ▶ On 3 February 2003, InTACT reported a loss of computing equipment. A police investigation is continuing. InTACT commissioned an audit review which recommended improvements to asset security arrangements.

## Equity and Diversity

Throughout the year the department continued to recognise and encourage equity and diversity in the workplace. A key driver for the promotion of workplace diversity, in particular work and life balance initiatives, has been the negotiation of the new Certified Agreement.

One of the key focus points for the Certified Agreement negotiations at the whole of government level was the inclusion of initiatives to provide support and flexibility at the workplace level to enable employees to balance work and life responsibilities. The Certified Agreement contains a number of initiatives which recognise the importance of work and life balance, including primary care giver leave, 14 weeks maternity leave, a commitment to part time employment for those employees returning to work following maternity or primary care giver leave, home-based work, scheduling of work meetings with regard to family responsibilities, half pay recreation leave and contribution toward childcare costs during school vacation programs.

The draft departmental Work and Life Balance Plan developed in the previous financial year identified the department's commitment to enabling staff with family responsibilities to be employed without discrimination and, as far as possible, without conflict with their family responsibilities. As a number of the strategies identified in that plan mirrored those identified at the whole of government level through the Certified Agreement negotiations, the department will review the plan to ensure a consistent and consolidated approach between the plan and the Certified Agreement.

Consistent with the proposed Work and Life Balance Plan, the department achieved the following initiatives during the year:

- ▶ establishment of a Carers' Room, for the purposes of providing employees with a quiet, comfortable and clean environment to carry out aspects of their normal work when short-term emergency dependent care is required;
- ▶ commencement of lunchtime yoga sessions for staff, in the interests of health and well being;
- ▶ commencement of workplace massage on a weekly basis, in the interest of health and well being, and to assist in addressing the injury potential of Occupational Overuse Syndrome and other muscular-skeletal injuries arising from office based employment;
- ▶ access to subsidised flu injections for all staff; and
- ▶ allocation of accommodation for a nursing mothers room to be established in 2003–04, to provide employees with a private and clean area for breastfeeding or expressing milk. This initiative is aligned with the department's commitment under the Certified Agreement to provide nursing mothers with paid lactation breaks.

In addition, in view of the department's commitment under the Certified Agreement to maintain a workplace that supports its employees and provides access to reasonable working hours through fair and flexible work practices, the department will review working hours across Business Units over the coming year. The aim of the review will be to identify and determine solutions to address the management of excess working hours.

Throughout the year the department also continued to implement the Discrimination, Harassment and Bullying Prevention policy. As part of this process the department coordinated Equity and

Diversity Contact Officer training sessions which were facilitated by the ACT Human Rights Office. Contact officers play a key role in providing information and support for staff in relation to unlawful discrimination in the workplace, and have been actively encouraged to provide a further level of support through the application and promotion of the departmental policy.

Over the coming year the department will continue to focus on the implementation of work and life balance initiatives. The Work and Life Balance Plan will be launched with the aim of assisting staff and management in fostering a culture supportive of workplace flexibility. The proposed Equity and Diversity Plan, as the overarching framework for work and life balance and discrimination and harassment prevention, will also be revised in light of the implementation of the Certified Agreement, the initiatives achieved during 2002–03 period, and new initiatives to be addressed.

### STAFF BY EQUAL EMPLOYMENT OPPORTUNITY (EEO) GROUP

Classification	Aboriginal and Torres Strait Islander Persons		People from Culturally and Linguistically Diverse Backgrounds		Persons with a Disability		Gender	
	Female	Male	Female	Male	Female	Male	Female	Male
Executive	0	1	1	1	0	0	2	10
DT Manager/SOG A&B	0	0	0	1	0	1	9	24
DT Senior Officer/SOG C	0	0	4	6	0	0	9.61	33
DT Officer/ASO 1–6	0	0	20	10	0	0	61.39	36
Info Technology Officer	0	0	0	0	0	0	0	1
Senior Professional Officer	0	0	3	0	0	1	3	9
Professional Officer	0	0	0	1	0	0	0	2
Graduate Admin Assistant	0	0	0	0	0	0	1	1
<b>Total</b>	<b>0</b>	<b>1</b>	<b>28</b>	<b>19</b>	<b>0</b>	<b>2</b>	<b>86</b>	<b>116</b>

\* submission of EEO data by staff members is voluntary. The statistics in this table are not therefore representative of all staff in the Department.



## Justice Options and Prevention Policy Framework

The ACT Office for Women (OFW), part of the Chief Minister's Department in the ACT Government, led the development of the whole of government Policy Framework and Action Plan, *Justice, Options and Prevention — working to make the lives of ACT women safe*.

The Framework provides guidance to government agencies in their work to eliminate violence against women within their areas of responsibility. It provides directions to assist in achieving three identified key outcomes:

- ▶ Protection and Justice: Women have a right to access a justice system that provides protection, support and advocacy;
- ▶ Options for Women: Assistance provided to women is appropriate, accessible, and responsive; and
- ▶ Prevention of Violence: Understanding, acceptance and acknowledgment of the right of women to live their lives free from violence.

The existing Framework does not identify any strategies specific to the Department of Treasury. The department will continue to monitor the development of the Framework and Action Plan to ensure that any issues or strategies that impact on the department are addressed.

# RESOURCES AND OWNERSHIP AGREEMENT REPORTING

## Ownership Agreement

The financial statements contained in Volume 2 of the Department of Treasury Annual Report reflect the annual reporting requirements referred to in the 2002–03 Department of Treasury Ownership Agreement.

## Certified Agreements

The department's *Certified Agreement 1999–2002* provides for written grievances/appeals submitted to the department to be reported in the Annual Report. During the reporting year the department received three employment related grievances under the terms of the 1999–2002 Agreement. All were still under investigation at the end of the reporting period. There were no grievances or appeals submitted in accordance with the provisions of the Department of Treasury Certified Agreement 2003–2004, which came into effect in the later part of the reporting year.

## Staffing Profile

All staff are employed under the provisions of the *Public Sector Management Act 1994*. The department had a total staffing figure of 202 full time equivalent as at 19 June 2003. Of these, 12 Executive staff were employed under Executive Contract arrangements.

Agency Profile by Organisational Unit

Business Unit	Female	Male	Total
Executive Unit (includes Graduates)	6	6	12
Financial and Budgetary Management	16	21	37
Revenue Management	40	25	65
Finance and Investment Group	5	16	21
Economic Management	3.39	13	16.39
Government Business Enterprise Management	3.61	7	10.61
ACT Procurement Solutions	12	28	40
<b>Total</b>	<b>86</b>	<b>116</b>	<b>202</b>

Source: HRMS as at 19 June 2003, Full Time Equivalent

### Staff by Classification and Gender

Classification	Female	Male	Total
Executive	2	10	12
DT Manager	9	24	33
Senior Officer Grade C	9.61	33	42.61
Administrative Service Officer 6	17	22	39
Administrative Service Officer 5	17.39	9	26.39
Administrative Service Officer 4	15	3	18
Administrative Service Officer 3	10	2	12
Administrative Service Officer 1	2	0	2
Senior Professional Officer A	0	1	1
Senior Professional Officer B	1	6	7
Senior Professional Officer C	2	2	4
Professional Officer 2	0	2	2
Information Technology Officer 2	0	1	1
Graduate Administrative Assistant	1	1	2
<b>Total</b>	<b>86</b>	<b>116</b>	<b>202</b>

### Staff by Gender and Employment Category

Employment Category	Female	Male	Total
Permanent Full Time	75	105	180
Permanent Part Time	0.61	0	0.61
Temporary Full Time	10	10	20
Temporary Part Time	0	0	0
Casual	0.39	1	1.39
<b>Total</b>	<b>86</b>	<b>116</b>	<b>202</b>

## Australian Workplace Agreements

During the 2002–03 financial year a total of 39 staff were covered by Australian Workplace Agreements (AWAs). Of these Agreements, four had been negotiated and offered within the 2002–03 period, on the basis of the Government's policy that AWAs should only be offered in exceptional circumstances where a special and justifiable need exists. The remainder of the Agreements were negotiated under the terms of the former Government and have continued to operate during 2002–03.

Additionally, six AWAs have been terminated over the 2002–03 period as a result of staff resignations, staff transferring to other agencies, Executive contract arrangements, or through the signing of a replacement AWA. As at 30 June 2003 there were no new AWAs being negotiated or awaiting approval from the Office of the Employment Advocate.

## Collective Managers' AWA 2001–2003

Classification	Salary Range (\$ as at 30 June 2003)	Duration (Nominal Expiry Date)*	Total staff coverage 1 July 2002– 30 June 2003	Staff Coverage as at 30 June 2003
DT Manager 1 (SOG B, SPO B, SITO B)	70,113–96,420	30 Sep 2003	24	22
DT Manager 2 (SOG B, SPO B, SITO B)	73,698–103,139			
DT Manager 3 (SOG B, SPO B, SITO B)	78,834–106,373			
DT Manager 4 (SOG A, SPO A, SITO A)	81,306–116,236			

\* AWAs continue to operate past the nominal expiry date until such time as the AWA is terminated or superseded by another Agreement.

## Collective Senior Officer Grade C AWA 2001–2003

Classification	Salary Range (\$ as at 30 June 2003)	Duration (Nominal Expiry Date)*	Total staff coverage 1 July 2002– 30 June 2003	Staff Coverage as at 30 June 2003
Senior Officer Grade C	58,880–80,565	30 Sep 2003	15	11

## Workers' Compensation

During the compensation premium year ended February 2003, one new compensation claim was accepted. No claims were finalised. The department had one open claim at the end of the premium year February 2003; this claim is subject to regular monitoring by the Rehabilitation Case Manager.

The services of an external rehabilitation and safety provider were regularly used to assist in increasing awareness among staff of the importance of injury prevention. Workstation assessments continued to be arranged to prevent injury associated with the constant use of screen based equipment in an office-based environment.

## Learning and Development

The department commenced implementation of the ACTPS Executive Leadership Development Program with the commencement of Career Path Appreciation (CPA) interviews for individual executives in March 2003. The CPA model includes a guided interview regarding an individual's past, present and future working life, relating their personal judgement and capacity to complex and uncertain working life situations. The department is committed to the key outcomes of this program (as outlined in the Human Resources Strategy for the ACTPS) with participation totalling 90 per cent. This reflected the number of eligible executives who were participating in the CPA process as at the end of the reporting period.

Underpinning this program will be the implementation of an ACTPS leadership development program for Senior Officers which will commence in the second half of 2003.

Consistent with its commitment to develop and build on the capability of staff, the department has developed a pilot Mentoring Program. The program, which offers a mentor from the executive level within the department for each person being mentored, will commence in July 2003, following presentations to staff and training sessions for participants. Eleven staff from a range of areas within Treasury have nominated to be included in the program. The pilot scheme will be reviewed at the end of December 2003.

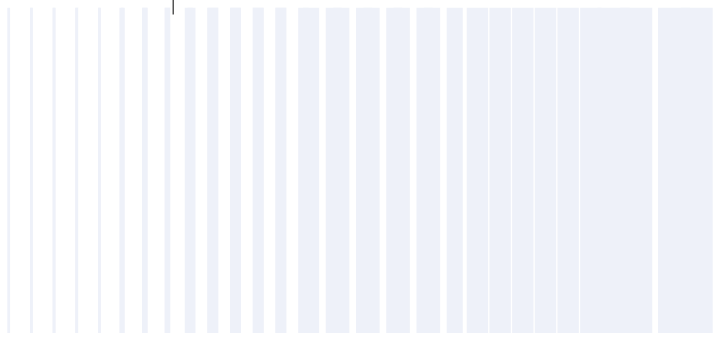
The Agency's learning and development planning also incorporates a number of key initiatives targeting all levels of staff. The focus for the 2002–03 year was on management and communication skills, with the following four courses offered to agency staff during the year:

- ▶ **MECHANICS OF ENGLISH:** a focus on written communication commenced with the course 'Mechanics of English' presented by Pivotal Australia. This course was designed to improve word usage, grammar, punctuation and spelling;
- ▶ **EFFECTIVE BUSINESS WRITING:** this program followed on from the Mechanics of English course targeting staff required to prepare higher level written material as part of their duties. Participants had the opportunity to have their own examples of written communication assessed by the course facilitator;
- ▶ **COMMUNICATION SKILLS:** continuing the thematic approach of communication skills for staff, this course focused on oral communication, and included aspects such as body language, listening skills and providing performance feedback to staff; and
- ▶ **MIDDLE MANAGEMENT PROGRAM:** this program, designed specifically for the department, comprised four modules covering learning areas which included self-awareness and management, leadership, teambuilding and team management, and communication. The program was run twice during the year, and was well received by the 50 staff who completed the program.

**PERFORMANCE MANAGEMENT SCHEME** ▶ A key feature of the department's Performance Management Scheme is the opportunity it provides to identify skill gaps and to consider training and development options for staff members. The aim of the training and development is to allow staff to meet the objectives of their current position, and to plan for their ongoing personal and professional development. The Scheme is built on a plan detailing key deliverables and performance targets, together with specified capabilities relating to the staff member's classification. During 2002–03 the participation rate for eligible staff in the performance management scheme was 72 per cent. This represents a 12 per cent increase from last year and highlights a move towards an improved performance management, learning and development culture.

**STUDYBANK** ▶ The Department continued to support staff in obtaining academic qualifications through the Studybank Scheme. The scheme makes provision for paid leave and partial or total reimbursement of study expenses. Studybank is a significant contributor to the Department's learning and development program, with approximately 10 per cent of staff receiving support from this scheme during the year.

The following tables provide details of staff who received study assistance during 2002–03, by classification and area of study:



<b>Classification</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
DT Manager	3	2	5
Senior Officer	4	1	5
ASO 5-6	5	4	9
ASO 1-4	1	0	1
<b>Total</b>	<b>13</b>	<b>7</b>	<b>20</b>

<b>Area of Study</b>	<b>Total %</b>
CPA	30
Accounting/Economics/Commerce	25
Law	20
Business Administration	15
Science	5
Multimedia	5
<b>Total</b>	<b>100</b>

## Training Expenditure

Training expenditure for 2002–03, including expenditure on agency funded Graduate Administrative Assistants (GAAs), totalled \$1,021,209 or 8.6 per cent of the Department's payroll. This compares with the 2001–02 expenditure of \$461,705 or 4.4 per cent of the Department's payroll. The increase in expenditure is, in part, attributed to an increase in information technology training for the implementation of the upgraded financial system, Oracle.

Training expenditure excluding agency funded GAAs for 2002–03 was \$954,553, or 8.1 per cent of the Department's payroll, compared with \$352,347 or 3.4 per cent of the Department's payroll in the previous year.

Training expenditure is calculated as the direct costs of training and development courses; the salary equivalent of time away from the workplace (including for training provided at no direct cost) and the total salary and training costs of GAAs.

## Consultancy and Contractor Services

### CONSULTANTS — TOTAL FINANCIAL YEAR COST GREATER THAN \$5,000 (GST INCLUSIVE)

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
<b>Output 1.1 — Economic Management</b>				
EconSearch Pty Ltd	Construction of Input/Output tables for 2000–01	29,700	14/03/03	Economic Analysis
Ray L Davis & Company Pty Ltd	AIHS Working Party — Provision of Commercial Property Advice	13,234	06/02/03	GBE Management Branch
WalterTurnbull	Totalcare Industries Ltd — Review of Management Structure	14,974	09/04/03	GBE Management Branch
WalterTurnbull	Development of Financial Database on ACT Government Business Enterprises	19,808	10/01/03	GBE Management Branch
WalterTurnbull	Financial advice to AIHS Working Party	18,733	07/02/03	GBE Management Branch
<b>Output 1.2 — Financial Management</b>				
Bellewarra Investments	ACT Commission of Audit	30,140	Ongoing	FABM
<b>Output 1.3 — Revenue Management</b>				
DSI Consulting	Payroll tax database evaluation	16,500	23/07/02	Compliance
Isidore Pty Ltd <sup>1</sup>	Provision of Analytical Subsystem using COGNOS software	20,460	30/04/02	STAX Project
Think, Plan Perform Pty Ltd <sup>1</sup>	Specification of Business Requirements for the new STAX replacement Tender	66,995	19/02/02	STAX Project
Wizard Information Services	Provision of STAX Business Analysis Support	17,589	08/04/03	STAX Project
COGNOS	Demonstration services	6,160	11/09/02	STAX Project
<b>Output 1.4 — Procurement Support Services</b>				
Fulton Technology Pty Ltd	Software support	49,719	01/07/02	ACT Procurement Solutions
Kingsway Financial Assessments	Prequalification financial advice/assessment	26,324	17/09/02	ACT Procurement Solutions
Random Computing Services	Software and administration support	22,888	01/07/00	ACT Procurement Solutions

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
<b>Output 1.1 — Central Financing Unit</b>				
Barrington Corporate Finance	Review of Fleet Financing Facility	56,100	14/05/02	Central Financing Unit
Ernst & Young	GST Post Implementation Review	20,471	17/02/03	Central Financing Unit
Macquarie Risk Advisory Services	Debt Portfolio Monitoring and Reporting	52,800	16/12/02	Central Financing Unit
Trudy Coad Consulting	Transactional Banking	14,735	07/11/02	Central Financing Unit
<b>Output EBT 1.1 — Superannuation Unit</b>				
Frontier Investment Consulting	Investment Advisory Services	225,225	May 2001	Superannuation Unit
Atchinson Consulting	Superannuation Advisory Services	20,350	February 2003	Superannuation Unit
<b>Output 1.1 — Home Loan Portfolio</b>				
<b>Output 1.1 — InTACT</b>				
Acumen Alliance	Management audit	12,925	01/09/02	InTACT
Acumen Alliance	Security audit services	14,300	23/06/03	InTACT
Amdocs	Scoping study	12,065	19/05/03	InTACT
Coolong Consulting	Voice benchmarking / Telco RFP Services	25,711	05/11/02	InTACT
CSC IT Solutions	Professional services	6,743	09/10/02	InTACT
D'arcy Consulting Group	Training / development services	7,900	16/10/02	InTACT
Deloitte Touche Tohmatsu	Security audit services	14,850	25/09/02	InTACT
Deloitte Touche Tohmatsu	Audit services	11,242	11/11/02	InTACT
Dimension Data	ESS Project Management	28,814	10/09/02	InTACT
EMC Australia <sup>2</sup>	ESS SAN attachment	196,900	12/09/02	InTACT
Ernst & Young	Financial services	48,950	12/06/03	InTACT
Gartner	Benchmarking study	\$23,000	01/10/02	InTACT
Gibson Quai	Tender preparation	\$18,730	09/07/02	InTACT
Huntingfield Consulting	Telco RFP evaluation services	\$41,800	09/12/02	InTACT

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
Intersect Alliance	IT audit services	7,680	10/04/03	InTACT
KPMG	Financial analysis services	15,400	15/05/03	InTACT
Landell Corporation	Tender evaluation services	23,678	07/02/03	InTACT
Lawson Consulting <sup>3</sup>	Telco & Asset leasing tender services	51,846	18/11/02	InTACT
Lawson Consulting	Asset leasing tender services	2,200	20/03/03	InTACT
Meta Group	IT business consultancy	24,750	20/09/02	InTACT
Meta Group	IT business consultancy	6,600	09/10/02	InTACT
Meta Group	IT business consultancy	25,864	07/11/02	InTACT
Meta Group	IT business consultancy	6,600	23/12/02	InTACT
Northrop Consulting Engineers	Power hardening report	33,330	24/02/03	InTACT
Northrop Consulting Engineers Pty Ltd <sup>4</sup>	Business continuity implementation services	54,439	29/05/03	InTACT
Power Initiatives	Management consultancy	6,806	01/09/02	InTACT
Pricewaterhouse Coopers	Computer forensics security consultancy	12,000	13/01/03	InTACT
Pricewaterhouse Coopers	Threat & risk assessment	26,000	10/02/03	InTACT
Pricewaterhouse Coopers	Financial analysis services	9,120	13/03/03	InTACT
Proactive Services Pty Ltd	IT service management consultancy	9,900	30/08/02	InTACT
Proactive Services Pty Ltd	IT service management consultancy	7,150	16/07/02	InTACT
Spherion Recruitment Solutions Pty Ltd	Executive Search — General Manager, InTACT	20,253	18/11/02	Corporate Services
Wayne Smith & Associates	Probity audit services — IT tender	5,500	01/08/02	InTACT
Wayne Smith & Associates	Probity audit services — Asset lease	9,900	11/10/02	InTACT
Wayne Smith & Associates	Probity audit services — Copier MFD	7,251	15/07/02	InTACT

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
<b>Chief Executive</b>				
Cordiner King & Co Pty Ltd	Executive Search — Chief Executive, Department of Treasury	\$96,161	23 July 2002	Corporate Services
P.A.L.M. Management Pty Ltd	Prepare and facilitate a workshop to develop a Strategic Plan	\$6,050	29/10/02	Chief Executive
Will Laurie	Committee Chair	\$2,772	13/12/01	Internal Audit

**Notes**

1. Select tender — Extension of existing contract
2. Select tender — Under scope of ESS approved procurement/tender process
3. Select tender — Sole provider of evaluation software
4. Select tender — Project specialist in nature and requires expertise. Limited number of suppliers.

Processes used to select and manage consultancies were consistent with the ACT Government Procurement Guidelines and Circulars and the Consultancy Guidelines: Achieving the Effective Use of Consultants in the ACT Public Service.

**Total cost of individual consultancy services below the \$5,000 threshold**

EBT 1: Superannuation Unit	\$0
Chief Executive	\$6,458
Intact	\$54,871
Output 1.1: Central Financing Unit	\$6,815
Output 1.2: Financial Management	\$990
Output 1.3: Revenue Management	\$3,869
Output 1.4: Procurement Support Services	\$12,627

**CONTRACTORS — TOTAL FINANCIAL YEAR COST GREATER THAN \$15,000 (GST INCLUSIVE)**

<b>Name</b>	<b>Description</b>	<b>Cost \$</b>	<b>Date consultancy let</b>	<b>Area managing consultancy</b>
<b>Output 1.1 — Economic Management</b>				
<b>Output 1.2 — Financial Management</b>				
Acumen Alliance	Development of Chief Executive Financial Instructions for ACT Treasury/CMD	17,600	11/03/03	Accounting
Hays Personnel <sup>1</sup>	Accounting Services	457,258	Ongoing	FABM
Hudson Global Resources <sup>2</sup>	Accounting Services	54,524	Ongoing	FABM
Kerry Hudson and Associates	Asset Management and Capital Works Project	19,420	21/01/03	FABM
Excelerated Consulting	Finance System Development	23,755	Ongoing	FABM
Queensland Treasury	Long term fiscal model for ACT	43,500	22/05/03	FABM
PricewaterhouseCoopers	Professional Services: review of model financial statements	30,171	17/02/03 & 24/02/03	Accounting
<b>Output 1.3 — Revenue Management</b>				
Australian Valuation Office	Valuation Services	455,880	30/09/00	Rates & Land Tax
Aussoft Solutions Pty Ltd	Software Licence and Support Services	106,626	11/05/98	Rates & Land Tax
Unisys Payment Services Ltd	Payment Collection Services	30,202	July 1996	Rates & Land Tax
Lane Laser Canberra Pty Ltd	Printing services.	107,047	30/05/00	Rates & Land Tax
Australian Postal Corporation	Payment Collection Services	212,181	01/02/00	Revenue Management Branch
Effective People Pty Ltd	Contract Staff	210,184	01/07/02	Revenue Management Branch
Jade Direct Australia	STAX system	222,388	08/11/01	STAX Support
Hays Personnel	Contract Staff	44,845	July 2002	Policy, Legislation & Projects
Commonwealth Bank Ltd	Banking and Payment Collection Services	477,583	Sept 2000	Treasury

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
<b>Output 1.4 — Procurement Support Services</b>				
Chandler Macleod Pty Ltd	Remuneration of contract personnel	17,599	Ongoing <sup>3</sup>	ACT Procurement Solutions
Ready Workforce	Remuneration of contract personnel	21,725	Ongoing <sup>3</sup>	ACT Procurement Solutions
Weststaff Aust Pty Ltd	Remuneration of contract personnel	38,640	Ongoing <sup>3</sup>	ACT Procurement Solutions
<b>Output 1.1 — Central Financing Unit</b>				
Alliance Capital	Funds Manager	754,020	Jan1994	Central Financing Unit
Commonwealth Custodial Services	Master Custody Services	273,613	April 2002	Central Financing Unit
Robert Walters	Provision of Contract Personnel	29,826	July 2002	Central Financing Unit
<b>Output EBT 1.1 — Superannuation Unit</b>				
Towers Perrin	Consulting Actuary	82,939	1992	Superannuation Unit
ComSuper	Administration CSS/PSS	2,561,140	1989	Superannuation Unit
Clay Finlay	External Funds Manager	691,854	Aug 1994	Superannuation Unit
Alliance	External Funds Manager	755,584	Jan 1994	Superannuation Unit
Invesco	External Funds Manager	598,337	Aug 1993	Superannuation Unit
Commonwealth Custodial Services	Master Custody Services	263,640	April 2002	Superannuation Unit
<b>Output 1.1 — Home Loan Portfolio</b>				
Perpetual Trustee	Contract for management of home loan portfolio until December 2002.	198,385	12/01/99	Revenue Management Branch
Bureau Services Australia	System administration and support services.	120,148	03/12/02	Revenue Management Branch

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
<b>Output 1.1 — InTACT</b>				
Acer Computer Australia Pty Ltd	Provision of IT business equip (3yr agreement)	433,333	20/12/02	InTACT
Allico IT Rentals	Asset leasing — ongoing lease payments.	524,086	14/07/95	InTACT
Amdocs <sup>4</sup>	Software maintenance — Clarify	128,938	30/09/02	InTACT
Citadel Securix <sup>4</sup>	Software maintenance — Gantlet	123,946	09/08/03	InTACT
Corporate Express Aust Ltd	Provision of IT business equip (3yr agreement)	14,666,666	13/12/02	InTACT
CSC IT Solutions <sup>5</sup>	Provision of IT business equip	338,925	05/09/97	InTACT
Evalua Pty Ltd	Tender evaluation services — HR	30,000	02/09/02	InTACT
Fujitsu <sup>5</sup>	Provision on IT equipment / HP hardware and software maintenance	598,009	17/04/97	InTACT
Hays Personnel <sup>6</sup>	Financial management services	111,161	24/01/02	InTACT
Hewlett Packard <sup>4</sup>	Hardware and software maintenance	896,904	01/01/03	InTACT
IBM Australia Ltd	Hardware and software maintenance — various	36,489	01/07/037	InTACT
KAZ Technology Services Pty Ltd <sup>4</sup>	Software maintenance and training	264,325	03/02/92	InTACT
Lexmark International Aust Pty Ltd	Provision of IT business equip (3yr agreement)	1,433,333	20/12/02	InTACT
Macquarie Bank Limited	Asset leasing	13,111,746	01/01/00	InTACT
Microsoft Pty Ltd <sup>8</sup>	Software licensing — ACT Gov (3yr agreement)	4,397,994	01/06/03	InTACT
Microsoft Pty Ltd <sup>8</sup>	Software licensing — DEYFS (3yr agreement)	175,450	01/06/03	InTACT
Microsoft Pty Ltd <sup>8</sup>	Software licensing — Schools (3yr agreement)	37,707	01/06/03	InTACT
Microsoft Pty Ltd <sup>8</sup>	Software licensing — CIT (3yr agreement)	131,032	01/06/03	InTACT
NCSS <sup>9</sup>	Asset storage and decommissioning services	50,213	05/09/97	InTACT
Oracle <sup>10</sup>	Software maintenance OGF (whole of Gov)	162,333	29/04/03	InTACT
Ricoh Aust Pty Ltd	Provision of IT business equip (3yr agreement)	3,333,333	20/12/02	InTACT
Sophos Pty Ltd <sup>4</sup>	Provision of anti-virus software	257,212	31/05/03	InTACT
Spherion <sup>11</sup>	Provision of contract personnel / advertising and scribing services	6,980,175	24/01/02	InTACT

Name	Description	Cost \$	Date consultancy let	Area managing consultancy
Spherion Education <sup>11</sup>	Training	40,670	24/01/02	InTACT
Sun Microsystems	Supply of enterprise server	3,800,659	11/09/02	InTACT
Telstra <sup>5</sup>	Internet, cabling, WAN, voice, hardware/software	13,275,828	17/04/97	InTACT
TMP Worldwide <sup>6</sup>	Financial services	70,016	24/01/02	InTACT
Trendmicro	Software maintenance — Scanmail	36,630	14/05/03	InTACT
<b>Chief Executive</b>				
Acumen Alliance (ACT) Pty. Ltd	Internal Audit Services	77,856	21/01/02	Internal Audit
WalterTurnbull	Internal Audit Services	27,055	23/01/02	Internal Audit
Acumen Alliance (ACT ) Pty Ltd	Internal Audit Services	21,911	18/03/03	Internal Audit
<b>Corporate Services</b>				
Project Coordination	Level 1 Canberra Nara Centre refurbishment	583,317	11/03/02	Corporate Services
Carlson Wagonlit	Management of business travel	77,301	1/05/01	Corporate Services
Corporate Express	Provision of stationary and related supplies	57,448	18/11/99	Corporate Services

**Notes**

1. Select tender — This represents the total of a number of individual contracts for specialised accounting staff, each of which was selected on merit against a number of candidates, and individually most would have been under \$50,000.
2. Select tender — Contractor was selected on merit against a number of candidates.
3. Engaged on an 'as required' basis to source contract staff to meet short term resourcing requirements.
4. Select tender — Sole supplier
5. Select tender — Strategic partnership resulting from tender process.
6. Select tender — Under terms of Spherion agreement.
7. Various individual maintenance agreement dates throughout the reporting period.
8. Select tender — Sole provider/enterprise agreement.
9. Select tender — Under terms & conditions of CSC SPA.
10. Select tender — Sole supplier under existing licence agreement.
11. Select tender — Original contract established through tender process.

Processes used to select and manage contractors were consistent with the ACT Government Procurement Guidelines and Circulars and the Consultancy Guidelines: Achieving the Effective Use of Consultants in the ACT Public Service.

**Total cost of individual contractor services below the \$15,000 threshold**

EFT 1 — Superannuation Unit	\$2,005
Chief Executive	\$31,118
Intact	\$18,820
Output 1.1: Home Loan Portfolio	\$26,958
Output 1.1: Central Financing Unit	\$32,483
Output 1.2: Financial Management	\$65,652
Output 1.3: Revenue Management	\$34,149
Output 1.4: Procurement Support Services	\$0



## Capital Works Management

The department has no Capital Works activities on which to report for the 2002–03 period.

## Asset Management Strategy

The department continued to undertake improved design solution options for its Canberra Nara Centre accommodation, to maximise the use of available floor space and, in so doing, achieve the Government's prescribed space standards of 15m<sup>2</sup> per employee (global average). A major project in relation to the rationalisation of accommodation during the reporting period was the refurbishment of Level 1 of the Canberra Nara Centre.

This major refurbishment project resulted in the department achieving space standards of 17.1m<sup>2</sup> as at the end of the reporting period; representing an increase in utilised floor space from 18.5m<sup>2</sup> in the previous year. Future plans include the redesign of Level 3 of the Canberra Nara Centre, which should further assist in achieving the department's goal of 15m<sup>2</sup> per employee.

As referenced under the Ecologically Sustainable Development section of this Report, as an energy reduction measure the Canberra Nara Centre has automatic power shutdown of the air conditioning system. Further energy reduction initiatives, such as automatic and sensor activated lighting, remain subject to consultation and agreement with the building owner and subsequent funding allocation.

The department's major assets are leasehold improvements and two Information Technology systems. As such, these assets are not subject to physical maintenance arrangements or a specified asset maintenance strategy.

Further details regarding the department's accommodation profile and asset management are contained in the Department of Treasury Ownership Agreement 2003–04. The Ownership Agreement provides a useful, more comprehensive overview of the department's progress and trends in accommodation and asset management, and is a valuable reference for effectively summarising the status and future direction of asset management.

# STATUTORY REQUIREMENTS

## Occupational Health and Safety

The department maintained its active approach to Occupational Health and Safety through the administration of a range of activities relating to OH&S provisions, staff consultation and decision making, and employee health and well-being.

Occupational Health and Safety is managed in accordance with the statutory provisions of the *Occupational Health and Safety Act 1989* (as modified by the *Public Sector Management Act 1994*). In accordance with this Act, the department's OH&S activities are managed in the context of an agency Policy Statement and an Injury Prevention and Management Agreement, jointly signed by the Chief Executive and relevant staff union/s.

The OH&S Committee, comprising OH&S and management representatives, convenes on a quarterly basis to address regular standing agenda items and to raise other issues of concern or interest. The meetings are facilitated by an external provider specialising in injury prevention and management, who provides an analysis of workplace injury trends, together with professional advice regarding OH&S hazards and risk management approaches in an office based environment.

The Corporate Services team ensures the ongoing management of Designated Work Groups (DWGs), together with the election, appointment and training of an OH&S Representative in respect of each DWG.

Through the OH&S Committee meetings and day-to-day service delivery, Corporate Services actively encourages staff and supervisors to initiate workstation assessments as a key pro-active measure against the danger of muscular and skeletal injury, including Occupational Overuse Syndrome.

At a corporate level, and in the interest of the better health and well being of employees, the department has introduced seated massage and lunchtime yoga classes, both of which are offered on site and on a weekly basis. These initiatives have been well received and have received positive feedback. In addition, the department also offered subsidised flu vaccinations to all staff to assist in minimising illness and absenteeism during the winter months.

To further ensure the safety of staff security measures were upgraded during the year with the introduction of video surveillance cameras in public thoroughfares throughout the building. Toward the end of the reporting period, plans were underway for the installation of after-hours movement detectors (linked to a remote alarm) in each tenancy area of the building.

As discussed under the Asset Management Strategy, a major project undertaken during the reporting period was the refurbishment of Level 1 of the Canberra Nara Centre. In support of this project, and as is the case with all staff moves and office refurbishments, the Corporate Services team co-ordinated the establishment of an Accommodation Committee (including an OH&S representative) to oversight and endorse the refurbishment proposal. The role of the Accommodation Committee, together with Corporate Services, was to ensure that all proposals are carried out in accordance with all relevant OH&S provisions. In the case of Level 1, the Committee met regularly during the refurbishment process. At the end of the Level 1 project, a full post-occupancy audit was undertaken to ensure compliance with OH&S policies and procedures.

The department is committed to injury management and all reported injuries and long term absences are monitored by the Rehabilitation Case Manager to ensure the earliest practicable return to work of injured staff; both compensable and non-compensable. Rehabilitation plans and return to work programs are co-ordinated in conjunction with the relevant executive officer, to ensure a high level of communication, awareness, and commitment to the rehabilitation process.

There were no notices issued to the Department under Section 76 or 77 of the OH&S Act, no directions issued under section 78 of the OH&S Act, and no incidents causing the giving of notice under section 85 of the Act.

## Commissioner for the Environment

No investigations relating to this department were conducted by the Commissioner for the Environment during the 2002–03 reporting period.

## Public Interest Disclosure

The *Public Interest Disclosure Act 1994* provides the mechanism for people to report wrongdoing in the ACT Public Sector. This action is referred to as making a 'public interest disclosure', less formally known as 'whistleblowing'. An agency leaflet is available, which provides information on making a public interest disclosure. The leaflet includes summary information on:

- who can make a disclosure;
- what can be disclosed;
- what protection is available if a disclosure is made;
- who can receive a disclosure; and
- what agencies must do under the *Public Interest Disclosure Act 1994*.

The leaflet also provides contact details to obtain further information in making a disclosure.

There was one disclosure made to the department under the *Public Interest Disclosure Act 1994* during the reporting year.

The disclosure referred to the conduct of a public official that amounts to the misuse of information or material acquired in the course of the exercise of official functions and is a matter which forms part of an existing investigation.

## Government Contractual Debts (Interest) Act 1994

The Department of Treasury normally settles its creditors within a 30-day period. It should be noted that, from 1 July 2003, the requirements of the *Government Contractual Debts (Interest) Act 1994* will be contained within the *Government Procurement Act 2001*. From that time interest on commercial accounts will apply if the Territory or a Territory entity does not pay a commercial account in full by the relevant date of the account. No contracts have been entered into by the department which exclude the provisions of the *Government Procurement Act 2001*.

## Freedom of Information

The ACT Freedom of Information Act 1989 (the Act) provides a legally enforceable right of access by citizens to all documents in the possession of the ACT Government, subject only to exemptions to protect the legitimate interests of the ACT Government and of third parties who deal with the ACT Government. The Act requires information about the operations of ACT agencies to be made publicly available, particularly rules and practices affecting citizens in their dealings with those agencies.

Section 7 of the *ACT Freedom of Information Act 1989* requires all agencies to prepare and publish a statement setting out the structure, operation and categories of documents.

**ORGANISATION FUNCTIONS AND POWERS** ▶ The Department of Treasury is responsible for:

- ▶ providing policy and strategic advice to the Treasurer and the Government;
- ▶ administration of the First Home Owner Grant Scheme;
- ▶ managing the Territory's finances; and
- ▶ the administration of ACT tax laws, including the collection of ACT taxes and general rates.

A list of legislation under which the Treasurer or officers of the Department exercise statutory powers is given below.

#### Treasurer

*ACTEW/AGL Partnership Facilitation Act 2000*

*Appropriation Acts*

*Australia and New Zealand Banking Group Limited (NMRB) Act 1991*

*Bank Mergers Act 1997*

*Canberra Advance Bank Limited (Merger) Act 1992*

*Competition Policy Reform Act 1996*

*Debits Tax Act 1997*

*Duties Act 1999*

*Electricity (National Scheme) Act 1997*

*Emergency Management Act 1999, division 6.3*

*Financial Agreement Act 1994*

*Financial Institutions Duty Act 1987*

*Financial Management Act 1996*

*Financial Relations Agreement Act 2000*

*Financial Sector Reform (ACT) Act 1999*

*First Home Owner Grant Act 2000*

*Gas Pipelines Access Act 1998*

*Government Contractual Debts (Interest) Act 1994*

*Government Procurement Act 2001*

*Hotel School Act 1996*

*Independent Competition and Regulatory Commission Act 1997*

*Insurance Authority Act 2000*

*Kingston Foreshore Development Authority Act 1999*

*National Exhibition Centre Trust Act 1976*

*Payroll Tax Act 1987*

*Public Access to Government Contracts Act 2000*

*Rates and Land Rent (Relief) Act 1970*

*Rates and Land Tax Act 1926*

*State Bank of South Australia (Transfer of Undertaking) Act 1994*

*Superannuation (Legislative Assembly Members) Act 1991*

*Taxation Administration Act 1999*

*Taxation (Government Business Enterprises) Act 2003*

*Territory Owned Corporations Act 1990*

*Territory Superannuation Provision Protection Act 2000*

*Utilities Act 2000*, except part 5, division 10.3, and parts 11 and 12

#### **Minister for Sport, Racing and Gaming**

*Betting (ACTTAB Limited) Act 1964*

*Casino Control Act 1988*

*Gambling and Racing Control Act 1999*

*Games, Wagers and Betting Houses Act 1901*

*Gaming and Betting Act 1906*

*Gaming Machine Act 1987*

*Interactive Gambling Act 1998*

*Lotteries Act 1964*

*Pool Betting Act 1964*

*Race and Sports Bookmaking Act 2001*

*Racing Act 1999*

*Unlawful Games Act 1984*

#### **Minister for Planning**

*Planning and Land Act 2002*, chapter 4

**PUBLIC PARTICIPATION IN DECISION-MAKING** ▶ Arrangements for public participation in decision-making include public submissions to inquiries, discussion at public meetings, consultative committees for specific purposes, access to records through FOI requests, comments on draft documents, comments on Bills before the Assembly and contact with the relevant Minister.

**CATEGORIES OF DOCUMENTS** ▶ The Department holds several basic categories of documents:

- ▶ those that are freely available on request and without charge;
- ▶ those available for sale including those that are part of a public register;
- ▶ those that are exempt under the *ACT Freedom of Information Act 1989*; and
- ▶ all other kinds of documents that may be available under the Act.

**DOCUMENTS AVAILABLE ON REQUEST AND WITHOUT CHARGE** ▶ Documents within this category include publications produced by the department on various aspects of its activities. These are distributed from public counters and libraries throughout the Territory and may be available on the ACT Government's Internet Home Page <http://www.act.gov.au> or on the ACT Government Contracts Register ([www.contractsregister.act.gov.au](http://www.contractsregister.act.gov.au)) which lists contracts entered into by the Government.

Documents of other kinds that may be available under the FOI Act are:

- ▶ general files including internal, interdepartmental and public documents, minutes of meetings of management and other committees, agendas and background papers, policy statements, financial and staffing estimates;

- diaries, rosters, work sheets;
- program and policy files;
- records held on microfilm, computer or paper in connection with specialised divisional functions;
- photographs, videos and films;
- financial and accounting records;
- details of contracts and tenders;
- files on applicants and clients;
- records of government including the machinery of government; and
- leases and deeds of agreement.

**FACILITIES FOR ACCESS** • Those seeking information are encouraged to seek access by contacting the department before resorting to the more formal FOI procedure. Physical access to the documents of the agencies is available at the listed address. In many cases it may be possible to access information far more quickly and efficiently through such an approach.

All FOI requests should be directed to:

The FOI Coordinator  
Department of Treasury  
GPO Box 158  
CANBERRA ACT 2601

The physical location is:

Corporate Services  
Level 2 Canberra Nara Centre  
Cnr Constitution Avenue & London Circuit  
Canberra City ACT 2601

**SECTION 8 STATEMENT** • A Section 8 Statement, an index of documents that are provided by the agency for the purpose of making a decision or recommendation under an enactment or scheme, is available on the following website <http://www.treasury.act.gov.au/documents.cfm>.

### SUMMARY OF OUTCOMES OF REQUESTS

- Seven requests were received under section 18 of the Act during the year.
- No requests were outstanding at 30 June 2003.
- Total access requests decreased by 47 per cent this year (from fifteen in 2001–02 to seven in 2002–03).
- No requests were transferred to another department and nil requests were withdrawn.
- No requests were carried over from the previous financial year.

Full Release	Partial Access	Technical Refusal	Withdrawn
4	3	Nil	Nil

### RESPONSE TIMES

0–30 days	31–45 days	46–60 days	61–90 days	> 90 days
6	1	Nil	Nil	Nil

## APPEAL OF DECISIONS

Requests for Internal Review	Affirmed	Partial Release	Overtured
1	1	Nil	Nil

## REQUESTS TO AMEND RECORDS (SECTION 48)

No applications were made to amend records.

## ADMINISTRATIVE APPEALS TRIBUNAL (AAT)

Requests to AAT	Affirmed	Overtured	Ongoing
1	Nil	Nil	1

## FEES AND CHARGES

Request for personal affairs remission		Request for Financial Hardship remission		Request for public interest remission	
Accepted	Refused	Accepted	Refused	Accepted	Refused
1	Nil	Nil	Nil	6	Nil

No processing charges were collected during the reporting period.

## APPLICANT TYPE

Member of public	Solicitor	Association/ Organisation	Politician	Company
1	Nil	Nil	5	1

Further information may be obtained from:

FOI Co-ordinator

Telephone: (02) 620 50238

Fax: (02) 620 75886

## Ecologically Sustainable Development

In line with the Government's commitment to sustainability, the department contributed to the principles of ecologically sustainable development. The initiatives undertaken by various business units of the department are detailed in the following table:

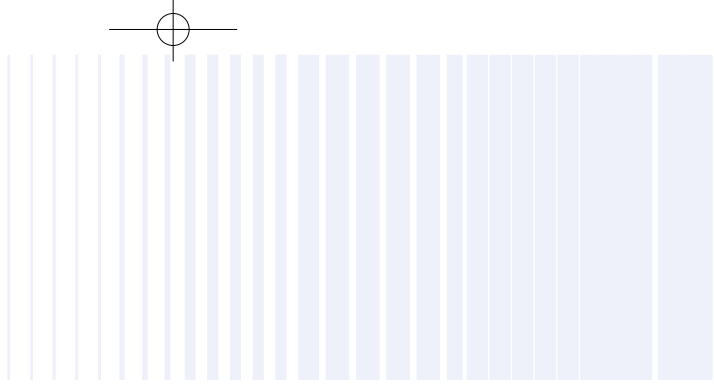
Service Delivery	Description	Environmental/Economic/Social Outcome
Output 1.1 Economic Management	Electricity Greenhouse Gas Emissions	Examining the feasibility of introducing an Electricity Greenhouse Gas Abatement Scheme based upon the New South Wales scheme. Environmental Outcome: GHG emissions abatement. Social Outcomes: Apportions the cost of abatement according to electricity use.
	Provision of Greenhouse Gas Emissions Details on Consumer's Electricity Bills	Agreement to the issue of the Consumer Production Code requiring all ACT electricity retailers to include GHG emission details on consumer's electricity bills from 1 July 2003. Environmental Outcome: Information for consumers to contribute to GHG emissions abatement. Developed regulations for the minimum performance standards for electrical appliances and equipment.
	Minimum Energy Performance Standards	Environmental Outcome: GHG emissions abatement.
Output 1.4 Procurement Support Services		The department is responsible for procurement policy and the six procurement principles. One of the procurement principles is 'environmental sustainability' and all agencies are required to considered environmental sustainability in their procurement activities.  Consultation is occurring with the Office of Sustainability and other relevant government departments on reviewing and reissuing these policies.  From 1 January 2003, Contractors, Project Managers and Consultants undertaking Superintendence for ACT Government construction projects are required to meet new prequalification requirements relating to Environment Management Systems (EMS).  The department held seminars and issued circulars to provide further information on the Government's procurement policy. The circulars included: <ul style="list-style-type: none"> <li>• Energy Efficient (Office) Electrical Equipment</li> <li>• Checklist for Purchasing Environmentally Responsible Products</li> <li>• Guideline for Environmentally Responsible Purchasing</li> </ul>

Service Delivery	Description	Environmental/Economic/Social Outcome
Output 1.1 InTACT	Procurement of IT Goods and Services for the ACT Government  Government Vehicles	InTACT presently lease Compaq desktop PCs and other office products which use energy saving features such as Advanced Power Management and ACPI.  InTACT has 6 four-cylinder passenger vehicles and 6 four-cylinder light commercial vehicles. Executive vehicles are made available for use by departmental staff for work-related activities. In accordance with government policy InTACT's fleet are not washed to conserve the ACT water supply.

Office Based Activities		
Item	Description	Environmental/Economic/Social Outcome
1. Energy — Electricity	Auto Shutdown	Air-conditioning systems in the Canberra Nara Centre are controlled by automatic shutdown timers, reducing potentially wasted energy. Office-based IT equipment features energy saving shutdown timers, designed to minimise electricity consumption.
— Fuel	Government Vehicles	The department utilises vehicles allocated to executives as corporate fleet vehicles. This dual purpose of executive vehicles serves to minimise the need for, and purchase of, additional fleet/corporate vehicles for general use.
2. Water	Kitchen Water	Staff kitchens on all floors feature purified chilled and boiled water, enhancing cleanliness and reducing heating costs.
3. Consumables	Office Paper and Consumables	The use of recycled paper and office consumables is encouraged, to reduce the quantity of virgin paper purchased.
4. Disposables	Waste and Recycling	Recycling is strongly encouraged throughout the department, by: <ul style="list-style-type: none"> <li>the allocation of recycling bins throughout the building, clearly marked for disposal of different types of paper/cardboard waste;</li> <li>the placement of 'worm farm' bins in all kitchens as an environmentally friendly method of reducing compost waste; and</li> <li>the placement of a battery recycling bin in the building, to reduce battery waste in landfill.</li> </ul>

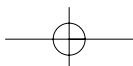
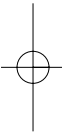
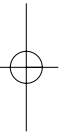
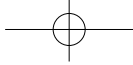
**NO WASTE BY 2010** ▶ The department has continued its representation on the Department of Urban Services *No Waste by 2010* steering committee, to ensure implementation of agreed initiatives and to foster the concept of *No Waste by 2010* throughout the department. The department has actively embraced the No Waste initiatives through implementation and continued support of the initiatives outlined above.

**CONSUMPTION AND EXPENDITURE** ▶ The dollar value of building operating facilities, including electricity, rent and utility costs, is reported annually in the Asset Management Plan of the Department of Treasury Ownership Agreement. In addition, the department provides consumption rates and costs in respect of water and electricity to the *NoWaste by 2010* Unit of the Department of Urban Services.



**FUTURE DIRECTION** In support of the implementation of sustainability initiatives, it is acknowledged that further work is required in terms of establishing waste audit and measurement systems in accordance with the Best Practice Waste Management Guide, and also in terms of evaluating trends in the consumption and expenditure data currently reported to the No Waste Unit.





# APPENDICES

## Reports by the Auditor-General

The following is a list of reports by the Auditor General, relevant to this agency, and a brief summary of recommendations addressed in the agency's submission to the Standing Committee on Public Accounts. The full text of all recent Auditor-General's Reports, and the incorporated departmental comments on the Auditor-General's findings, are available on the ACT Auditor-General's Homepage: <http://www.audit.act.gov.au>.

### REPORT NO. 2 OF 2002 — OPERATION OF THE PUBLIC ACCESS TO GOVERNMENT CONTRACTS ACT

▶ The Auditor-General's Report was tabled in the Legislative Assembly on 4 June 2002. The Report drew attention to a number of deficiencies in the operation of the Act which, in part, derived from shortcomings in the Act itself, and recommended the implementation of certain changes to the legislation. The Government's submission to the Standing Committee on Public Accounts advised that, as noted in the Auditor-General's report and previously agreed in response to the recommendations of the Standing Committee on Finance and Public Administration (Public Accounts Committee Report No 28), a formal review of the operation of the *Public Access to Government Contracts Act 2000* had commenced. Accordingly the Government advised that the findings of the Auditor-General's report had been referred to the team reviewing the Act. After the review had been completed the Government wrote to the Standing Committee on Public Accounts advising of the changes that the Government would be implementing to improve the operation of the Act. The amended *Government Procurement Act 2001*, which includes the provisions for dealing with the publication of government contracts, came into effect on 1 July 2003, at which time the *Public Access to Government Contracts Act 2000* was repealed.

### REPORT NO. 3 OF 2002 — GOVERNANCE ARRANGEMENTS OF SELECTED STATUTORY AUTHORITIES

▶ The Auditor-General's Report was presented to the Speaker on 4 June 2002. The Auditor-General concluded that:

- ▶ Legislative governance arrangements for statutory authorities are inadequate.
- ▶ Central agency guidance and the governance practices of a number of authorities have shortcomings that need to be addressed.
- ▶ Statutory authorities are generally complying with key aspects of their enabling legislation, other related legislation and central agency guidance.
- ▶ There are several governance practices where more rigorous approaches should have been adopted.

The Government submission to the Standing Committee on Public Accounts was generally supportive of the suggested actions for improving the governance arrangements for statutory authorities, recognising that an effective system of corporate governance is important to facilitate responsible decision making and accountability. A full review of the legislation for a range of statutory authorities is being undertaken.

### REPORT NO. 4 OF 2002 — FRAMEWORKS FOR INTERNAL AUDITING IN TERRITORY AGENCIES

▶ The Auditor-General's Report was presented to the Speaker on 26 June 2002. The Auditor-General concluded that the frameworks for internal auditing in Territory agencies was inadequate to effectively contribute to good governance.

The Department of Treasury coordinated input from all agencies for the Government submission to the Standing Committee on Public Accounts. The Government agreed with six of the eleven 'Suggested

Actions' and agreed in principle to the remaining five. In principle agreement only was given to those five because:

- ▶ the small size of some agencies may not necessitate implementation of the suggested action — refer actions 1 and 6; and
- ▶ the Government considered implementation of the suggested actions 9, 10 and 11 should be assessed against the better practice internal audit framework which was being developed by Treasury

A model internal audit framework has now been released. A number of agencies have adopted and implemented the framework, a copy of which can be found on the website [www.treasury.gov.au/accounting](http://www.treasury.gov.au/accounting).

### REPORT NO. 7 OF 2002 — FINANCIAL AUDITS WITH YEARS ENDING TO 30 JUNE 2002

▶ The Auditor-General's Report was presented to the Speaker on 10 December 2002. Following examination of the financial statements, the explanations for variations from budget and the Territorial statements, the Auditor-General identified a number of instances where the financial operations or internal controls of Treasury could be improved. Improvements to the *Financial Management Act 1996* were noted. Actual and possible breaches of the *Financial Management Act 1996* in 2001–02 were noted. The Territory's financial statements and the financial statements of the General Government Sector were qualified with an 'except for' audit opinion described as the incorrect recognition of an 'Unrealised Gain from Actuarial Review of Employee Superannuation Entitlements' as a liability, and inaccurate recording of the superannuation expense.

The most significant issue was the significant findings and recommendation of Chapter 7 — Compliance with the FMA. Those findings were:

- ▶ Housing received \$10m from the Treasurer's Advance in June 2002. The Audit view is that this was a misuse of the Treasurer's Advance and its legality could be questioned; and
- ▶ The Central Financing Unit possibly did not comply with the FMA in relation to the use of its Departmental banking account to process some Territorial transactions. The potential breach was also reported last year.

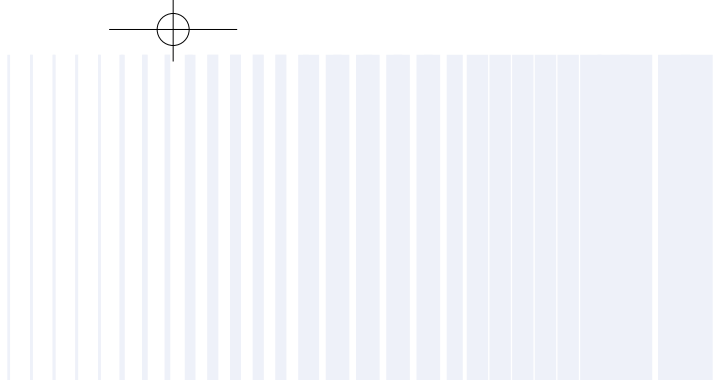
The Audit report recommended that:

- ▶ *Recommendation No 2: Amendments be made to the FMA and suitable guidelines and process be developed to ensure that the Treasurer's Advance provisions in the FMA are clear and fully complied with.*

The Government responded to the recommendation by committing to undertake a review of the guidance and legislation surrounding the Treasurer's Advance provisions of the FMA with any changes to be implemented as soon as possible. This work is underway — the Auditor General's Office has been provided with possible amendments to the FMA and has provided feedback. The Government is now giving consideration to amending the legislation.

It should also be noted that the 2003–04 Budget has been structured to avoid the previous concerns in relation to the CFU banking accounts.

The report also included qualified audit opinions for the Superannuation Unit and ACTEW Corporation. These opinions involved differing interpretations of the Australian Accounting Standards. In regard to superannuation, the Government noted that Australian Accounting Standards, including AAS 29, did not address the issue of recognition of superannuation liabilities and that the treatment was consistent with the practice adopted and accepted by the Auditor General in previous years.



However, recent developments were noted and the Committee advised that the matter would be reconsidered. In relation to ACTEW, ACTEW sought legal advice on the two issues raised and noted that that advice strongly endorsed their approach.

## Reports by the Ombudsman

The ACT Ombudsman did not release any formal public reports relating to this department during the 2002–03 reporting period.



## Legislative Assembly Committee Inquiries and Reports

The following completed inquiries by Legislative Assembly Committees related to this agency in the 2002–03 Financial Year:

- Select Committee on Estimates 2002–2003 — Budget 2002–2003 [released 19 August 2002, presented 20 August 2002, government response tabled 27 August 2002]
- Select Committee on Privileges — Unauthorised diversion and receipt of a Member’s e-mails [presented 14 November 2002 — no recommendations arose from this inquiry]
- Standing Committee on Public Accounts — 2002–2003 Appropriation Bill (No 2) [presented 4 March 2003, government response tabled 6 March 2003]
- Standing Committee on Public Accounts — Inquiry into the Rates and Land Tax Amendment Bill 2003 [presented 17 June 2003, government response tabled 19 June 2003]
- Select Committee on Estimates 2003–2004 — Appropriation Bill 2003–2004 [presented 17 June 2003 — recommendations were noted — no further action]

The following schedule details the implementation status of recommendations relevant to this department and accepted by the Government:

### SELECT COMMITTEE ON ESTIMATES 2002–2003

**Budget 2002–2003 (released 19 August 2002, presented 20 August 2002, government response tabled 27 August 2002)**

Recommendation	Government Position	Action To Date
<p>2. The Committee recommends that the Government undertake a review of performance measures across the budget so that measures:</p> <ul style="list-style-type: none"> <li>• are meaningful;</li> <li>• allow for comparison over time;</li> <li>• are consistent with measures in ownership agreements and annual reports; and</li> <li>• take into account the need for triple bottom line reporting.</li> </ul>	<p>Part 1 and Part 2: Department’s outputs will again be reviewed in the formulation of the 2003–04 Budget. It should be noted that changes to outputs and performance measures is more likely to be incremental over time as opposed to any significant or wide-ranging change. The need for changes needs to be balanced against the desire to have information in budgets that is comparable from year to year — something which is difficult if broad change occurs in one year.</p>	<p>The review of performance measures has been, and will continue to be an ongoing exercise during the preparation of the Territory Budget and throughout the year.  Treasury is continually keeping abreast of alternative reporting practices and considering their benefit to end users for inclusion in future budgets</p>

Recommendation	Government Position	Action To Date
<p>17. The Committee recommends, in light of the Government's reluctance to reveal details of the funding source for possible public service pay rises, that briefings be available immediately following any wage decision about the impact it has on the Territory's finances.</p>	<p>Agreed.</p> <p>Consideration will be given to the inclusion of sustainability performance measures in the development of future budgets.</p>	<p>The impact on Appropriations and the Territories Operating Result was disclosed in the Revised Financial Statements provided for the 2002-03 Appropriation Act No.3.</p>
<p>61. The Committee recommends that in future, proposals that are funded from internal growth funding should be listed in the budget papers.</p> <p>The Committee recommends that in future, concerning specific initiatives in Budget Paper 3 and this includes key health initiatives that are funded from Growth funds. The Government will consider including in future budget papers a listing giving the broad categories in which health growth funds are being used. This would pick up the smaller value items not currently covered in the Budget Paper 3 Initiatives chapter.</p>	<p>The Government already provides information concerning specific initiatives in Budget Paper 3 and this includes key health initiatives that are funded from Growth funds. The Government will consider including in future budget papers a listing giving the broad categories in which health growth funds are being used. This would pick up the smaller value items not currently covered in the Budget Paper 3 Initiatives chapter.</p>	<p>This recommendation has been implemented through the separate identification of growth funds in Budget Paper 3 which includes a description of the initiatives.</p>
<p><b>STANDING COMMITTEE ON PUBLIC ACCOUNTS</b>                  2002-2003 Appropriation Bill (No 2) (presented 4 March 2003, government response tabled 6 March 2003)</p>		
<p>2. The Committee recommends that the ACT Government's quarterly financial statements for the next five quarters include, as a discrete item, the expenditures related to the bushfires and the amounts recouped from other sources.</p>	<p>Bushfire costs are incurred across a number of agencies. These will be estimated and reported on over the next five quarters as part of the commentary of the Quarterly Consolidated Management Report. It should be noted that it will be difficult to estimate these costs in many cases, as final estimates from the disaster may not be known for some time.</p>	<p>A summary of the impact of the January bushfires was included in the March Quarterly Consolidated Financial Management report. It is intended that this will continue into the future.</p>

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**Inquiry into the Rates and Land Tax Amendment Bill 2003 (presented 17 June 2003, government response tabled 19 June 2003)**

<b>Recommendation</b>	<b>Government Position</b>	<b>Action To Date</b>
<p>The Legislative Assembly should not pass the Rates and Land Tax Amendment Bill 2003.</p>	<p>Government disagrees.</p>	<p>Bill defeated in Legislative Assembly.</p>
<p>In consultation with the Community, further evaluative work be undertaken to develop an alternative rating system or improve the current rating system to address the concerns raised in submissions and evidence taken through this inquiry.</p>	<p>Government disappointed with recommendation as Committee recommendations will be considered PAC (Public Accounts Committee) did not consider as part of a future rates review. the effectiveness of the Government's reforms in addressing inequities. PAC took many claims at face value, without supporting evidence.</p>	
<p>The evaluative work undertaken (as recommended above) include consideration of concessions, waivers and deferrals available in other jurisdictions.</p>	<p>Response as above.</p>	
<p>Upon completion of the evaluative work undertaken, that this work be presented to the Legislative Assembly for consideration.</p>	<p>Government disagrees with recommendation. The Government regularly reviews concessions, waivers and deferrals to all ratepayers. PAC made no reference to the extension of concessions under the Bill and failed to recognise that the ACT already has a very generous concession scheme, compared with other jurisdictions.</p>	

## Legislation Administered by the Department

### Treasurer

*ACTEW/AGL Partnership Facilitation Act 2000*

*Appropriation Acts*

***Appropriation 2002–2003***

***Appropriation 2002–2003 (No. 2)***

***Appropriation 2002–2003 (No. 3)***

***Appropriation 2003–2004***

*Australia and New Zealand Banking Group Limited (NMRB) Act 1991*

*Bank Mergers Act 1997*

*Canberra Advance Bank Limited (Merger) Act 1992*

*Competition Policy Reform Act 1996*

*Debits Tax Act 1997*

*Duties Act 1999*

***Duties Amendment 2003***

*Electricity (National Scheme) Act 1997*

*Emergency Management Act 1999, division 6.3*

*Financial Agreement Act 1994*

*Financial Institutions Duty Act 1987*

*Financial Management Act 1996*

***Financial Management Amendment 2002***

***Financial Management Amendment 2003***

*Financial Relations Agreement Act 2000*

*Financial Sector Reform (ACT) Act 1999*

*First Home Owner Grant Act 2000*

*Gas Pipelines Access Act 1998*

*Government Contractual Debts (Interest) Act 1994*

*Government Procurement Act 2001*

***Government Procurement Amendment 2003***

*Hotel School Act 1996*

*Independent Competition and Regulatory Commission Act 1997*

*Insurance Authority Act 2000*

*Kingston Foreshore Development Authority Act 1999*

*National Exhibition Centre Trust Act 1976*

*Payroll Tax Act 1987*

*Public Access to Government Contracts Act 2000*

***Public Access to Government Contracts Amendment 2002***

*Rates and Land Rent (Relief) Act 1970*

*Rates and Land Tax Act 1926*

**Rates and Land Tax Amendment 2003****Revenue Legislation Amendment Act 2002 (an Act to amend the Payroll Tax Act 1987 and Rates and Land Tax Act 1926)****Revenue Legislation Amendment Act 2002 (No. 2) (an Act to amend the First Home Owner Grant Act 2000, the Payroll Tax Act 1987 and the Rates and Land Tax Act 1926)****Revenue Legislation Amendment Act 2003 (an Act to amend the Duties Act 1999 and the Gaming Machine Act 1987)**

State Bank of South Australia (Transfer of Undertaking) Act 1994

Superannuation (Legislative Assembly Members) Act 1991

Taxation Administration Act 1999

**Taxation (Government Business Enterprises) Act 2003**

Territory Owned Corporations Act 1990

Territory Superannuation Provision Protection Act 2000

Utilities Act 2000, except part 5, division 10.3, and parts 11 and 12

**Minister for Sport, Racing and Gaming**

Betting (ACTTAB Limited) Act 1964

Casino Control Act 1988

Gambling and Racing Control Act 1999

Games, Wagers and Betting Houses Act 1901

Gaming and Betting Act 1906

Gaming Machine Act 1987

**Gaming Machine (Cap) Amendment 2003**

Interactive Gambling Act 1998

Lotteries Act 1964

Pool Betting Act 1964

Race and Sports Bookmaking Act 2001

Racing Act 1999

Unlawful Games Act 1984

**Minister for Planning**

Planning and Land Act 2002, chapter 4

**(Note: items highlighted in bold indicate legislation enacted during the reporting period.)**

## Regulatory Activities

**REVENUE MANAGEMENT BRANCH** The Revenue Management Branch (RMB) was responsible for the administration and regulation of a number of Territory tax, grant and subsidy Acts. Compliance activities were carried out pursuant to the powers granted to the Commissioner for ACT Revenue under the *Tax Administration Act 1999* and the *Rates & Land Tax Act 1926*.

Regulatory functions undertaken by the branch included the issuing of tax assessments, programmed audits and inspections, investigations into tax avoidance and evasion schemes and the enforcement of lodgement of documents and returns.

Representatives of RMB consulted with industry and business groups and discussed ACT taxation policies and other relevant issues. There was also a customer service centre which provided information and support to clients.

In 2002–03, 1,187 compliance inspections were undertaken which covered taxes, subsidies and grants administered by the RMB. The direct benefit to the Territory as a result of these inspections, tax assessments, reductions to subsidies claimed and ineligible First Home Owner Grant repayments was approximately \$3.8 million. Inspection activity also encouraged voluntary compliance with legislation and assisted in the fair distribution of taxes and grants.

The following is a brief description of the legislation for which the Revenue Management Branch has regulatory responsibilities:

### ***Debits Tax Act 1997***

The *Debits Tax Act 1997* provides for the imposition and collection of a tax in respect of certain debits made to accounts kept with financial institutions. Financial institutions are required to lodge monthly returns detailing all taxable debits made during the month. The account holder may apply to have the account exempted from debits tax in specific circumstances.

### ***Duties Act 1999***

The *Duties Act 1999* imposes duty on a range of Territory related documents and transactions, including conveyances, transfer of unlisted shares, acquisition of businesses, general and life insurance, hiring transactions and motor vehicle registration and transfer.

### ***Emergency Management Act 1999***

Division 3 of Part 6 of the *Emergency Management Act 1999*, which relates to the Ambulance Service levy, is administered by the Commissioner for ACT Revenue. This Division imposes a liability on health benefits organisations conducting business in the ACT to pay a monthly Ambulance Service levy to provide ambulance cover for members. Liable organisations are required to lodge monthly returns and payments of the levy.

### ***Payroll Tax Act 1987***

The *Payroll Tax Act 1987* imposes payroll tax on Territory employers in respect of wages, with a tax-free threshold of \$1.25 million per annum. It requires employers to be registered for payroll tax and to lodge annual or monthly returns with appropriate payments.

### ***Rates and Land Rent (Relief) Act 1970***

The *Rates and Land Rent (Relief) Act 1970* provides for relief from land, water and sewerage rates in the form of rebates and/or deferral of the obligation to pay rates, to eligible pensioners, specified Social Security payment recipients and persons suffering hardship.

**Rates and Land Tax Act 1926**

The *Rates and Land Tax Act 1926* imposes general rates and land tax on all rateable properties in the ACT, with a general exemption from land tax applying to land leased for residential purposes that is not rented on the quarterly liability dates.

**Taxation Administration Act 1999**

The *Taxation Administration Act 1999* provides the administrative provisions for a number of tax laws relating to the imposition and collection of certain taxes, duties and fees.

**First Home Owner Grant Act 2000**

The *First Home Owner Grant Act 2000* enables the provision of a \$7,000 grant to assist first home buyers purchase a new home from 1 July 2000 under the First Home Owners Scheme (FHOS).

While a number of Acts have been abolished in the past few years, companies are required to retain records for a period of 5 years after the relevant transaction. The ACT Revenue Office continued to conduct compliance activity in regard to these matters.

**GOVERNMENT BUSINESS ENTERPRISES****Taxation (Government Business Enterprises) Act 2003**

The *Taxation (Government Business Enterprises) Act 2003* gives effect to the Territory's commitment to National Competition Policy as applied to the Territory's business entities. This Act represents an agreement by all State and Territory governments to apply the principles of competitive neutrality to their significant business enterprises. In general, the principle of competitive neutrality aims to ensure that government entities should be subject to the same Commonwealth and Territory taxes and regulatory regimes as their private sector competitors.

The *Taxation (Government Business Enterprises) Act 2003* gives legislative effect to a Memorandum of Understanding for the implementation and administration of the National Tax Equivalent Regime and deals specifically with liability to pay income tax.

The legislation and associated regulations also provides a simple, transparent and open system to determine which government business entities are liable to pay all Territory taxes for example, rates, land tax, payroll tax and stamp duty.

**ACT PROCUREMENT SOLUTIONS**

During 2002–03, Procurement Solutions had responsibility for administering the *Public Access to Government Contracts Act 2000*, the *Government Contractual Debts (Interest) Act 1994* and the *Government Procurement Act 2001*.

In 2002–03 Procurement Solutions developed an amendment to the *Public Access to Government Contracts Amendment Act 2000*. This amendment was passed by the ACT Legislative Assembly in the Spring 2002 sittings and required all Territory entities (excluding Territory Owned Corporations) to report to the Auditor-General, at the end of each 6 month reporting period, on the number of contracts they have entered into which contained a confidentiality clause.

Procurement Solutions also developed an amendment to the *Government Procurement Act 2001*, which was passed by the Legislative Assembly in May 2003. This amendment created a single piece of procurement legislation. Inter alia, the *Public Access to Government Contracts Act 2000* and the *Government Contractual Debts (Interest) Act 1994* were repealed on 1 July 2003.

## Advisory and Consultative Boards and Committees

### FINANCE AND INVESTMENT ADVISORY BOARD

#### Membership

Ms Barbara Yeoh (Chair)	Mr Rae Taylor
Mr Ken Searson	Mr Mike Harris (ex-officio)

#### Description

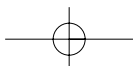
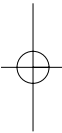
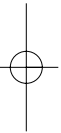
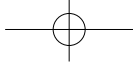
Established to contribute to better outcomes in the ACT Government's financial dealings by providing advice to enhance financial returns and improve governance processes.

## Service Purchasing Arrangements/ Community Grants/Assistance/Sponsorship

The funding for the following grants is provided from the Racing Development Fund. This fund was established under the provisions of the *Betting (ACTTAB Limited) Act 1964* to provide a mechanism to fund the construction and improvement of infrastructure of training and racing facilities, the purchase of major equipment and the development of racing in the ACT.

### Economic Management Branch — Community Grants

No.	Organisation / Recipient	Project Description	Amount
1	Canberra Harness Racing Club	Reconstruction of the training track and associated training facilities. Payment from Racing Development Fund.	\$258,102
2	Canberra Harness Racing Club	Mobile Starting Barrier Unit. Payment from Racing Development Fund.	\$87,476
3	Canberra Greyhound Racing Club	Upgrade of track lighting. Payment from Racing Development Fund.	\$49,287



# ANNEXED REPORTS

## InTACT Resources

**STAFFING PROFILE** ▶ The InTACT Group employs permanent (including part-time), temporary and contracting staff, with all permanent and temporary staff being employed under the *Public Sector Management Act 1994*.

As at 30 June 2003, InTACT had a total staff figure of 156 staff (152.08 Full-Time Equivalent). Total staff by classification is as follows:

Classification	Total
Executive	3.00
InTACT Managers (SOA–SOC/SITOA–SITOC)	45.20
InTACT Officers (ASO and ITO)	103.88
Information Technology Officer Trainees (ITOT)	Nil
Administrative Trainee	Nil
<b>Total</b>	<b>152.08</b>

**LEARNING AND DEVELOPMENT** ▶ Learning and development within InTACT will be a priority for the forthcoming year with the implementation of a revised performance management system that requires staff to include all learning and development needs on a mandatory basis. In addition, InTACT has devolved responsibility and accountability for training and development to individual officers, providing them with an expenditure allocation for the financial year. Each staff member, in consultation with their manager, is responsible for ensuring that they receive the allotted expenditure on developmental needs throughout the year. All learning and development activities within InTACT will continue to be recorded centrally on the Training and Development Database and expenditure will be monitored.

Training expenditure for 2002–03 was \$208,972, which is equivalent to 2.5 per cent of total employee expenses within InTACT. Approximately 376 learning and development days were provided to InTACT staff during the 2002–03 financial year. This represents approximately 2.4 training days per staff member. In addition two members of InTACT Executive have enrolled or completed the Executive Leadership Development Program during 2002–03 and 77 per cent of staff have completed Performance Management Plans.

A number of key agency learning and development priorities have been identified for InTACT in the coming year. These include:

- ▶ quarterly seminars from Davidson Trahaire to address workplace and personal issues for staff;
- ▶ continued focus on interpersonal and written communication skills for all staff; and
- ▶ continued focus on Windows 2000 training to assist technical staff in Windows 2000 rollout.

**STUDYBANK** ▶ InTACT continue to support staff wishing to undertake study through the Studybank process. The following table provides details of Studybank assistance during 2002–03.

Classification	Male	Female	Total
ITO1–ITO2	2	0	2
ASO1–6	0	2	2
<b>Total</b>	<b>2</b>	<b>2</b>	<b>4</b>

Area Of Study	Total
Accrual Accounting	1
Communications/Multimedia	1
IT Multimedia	1
IT Diploma (software)	1

**WORKER'S COMPENSATION** ▶ During the compensation year ended February 2003, InTACT had a total of one claim accepted by Comcare. InTACT currently have one compensable and one non-compensable claim open. Both claims are being managed by SRC Solutions on behalf of InTACT.

#### STAFF BY EQUAL EMPLOYMENT OPPORTUNITY GROUP

Classification	Aboriginal and Torres Strait Islander Persons		People from Culturally and Linguistically Diverse Backgrounds		Persons with a Disability		Gender	
	Female	Male	Female	Male	Female	Male	Female	Male
Executive	0	0	0	0	0	0	3	0
InTACT Senior Officers/ Senior Technical Officers	0	0	3	1	0	0	34	12
InTACT Officers/ASOs/ITOs and PAOs	0	0	13	8	1	0	67	40
InTACT Cadets/Trainees	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>104</b>	<b>52</b>

\* Submission of EEO data by staff members is voluntary. The statistics in this table are not therefore representative of all staff in the Department.

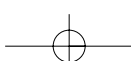
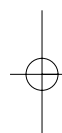
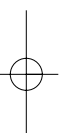
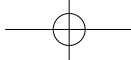
**AUSTRALIAN WORKPLACE AGREEMENTS** During the financial year a total of five Australian Workplace Agreements (AWA's) were offered to assist with filling and retaining staff performing specialised roles within InTACT.

A total of eight managers are currently employed under the AWA framework, inclusive of one agreement lodged with the Office of the Employment Advocate for approval. A total of one AWA was terminated during the 2002–03 financial year due to the officer's resignation. The range of remuneration as at 30 June 2003, and expiry dates for individual are as follows:

Classification	Salary Range (\$ as at 30 June 2003)	Duration (Nominal Expiry Date)*	Staff Coverage as at 30 June 2003
SOG A, SITO A	81,306–116,235	24 March 2003	1
		24 September 2004	1
		11 May 2004	1
		24 September 2003	1
SOG B	78,834–106,373	9 March 2004	1
		18 October 2003	1
SOG C, SITO C	58,880–80,565	31 December 2002	1

\* AWAs continue to operate past the nominal expiry date until such time as the AWA is terminated or superseded by another Agreement.

**INDIVIDUAL AWA** InTACT have a total of one AWA in place where the officer is in receipt of a salary outside of the relevant salary range. This agreement is due to expire on 7 April 2004.



## Glossary of Acronyms

AAT	Administrative Appeals Tribunal
ABS	Australian Bureau of Statistics
ACPI	Advanced Configuration and Power Interface
ACR	Australian Capital Region
ACT	Australian Capital Territory
ACTPS	Australian Capital Territory Public Service
AHCAs	Australian Health Care Agreements
AIHS	Australian International Hotel School
ANTS	A New Tax System
APU	Approved Procurement Unit
ASO	Administrative Service Officer
ATLAS	Asset Tracking Lease Administration System
AWA	Australian Workplace Agreements
BASIS	Buyers and Sellers Information Service
BC&DP	Business Continuity and Disaster Recovery Plans
CCS	Commonwealth Custodial Services
CFU	Central Financing Unit
CIT	Canberra Institute of Technology
CMD	Chief Minister's Department
COAG	Council of Australian Governments
CPA	Career Path Appreciation
CPI	Consumer Price Index
CSHA	Commonwealth–State Housing Agreement
CSS	Commonwealth Superannuation Scheme
CSTDA	Commonwealth–State/Territory Disability Agreement
DEYFS	Department of Education, Youth and Family Services
DT	Department of Treasury
DWG	Designated Work Group
EBT	Expenses on Behalf of the Territory
EEO	Equal Employment Opportunity
EMS	Environmental Management Systems
EPIC	Exhibition Park in Canberra
ERC	Expenditure Review Committee
FABM	Financial and Budgetary Management
FHOG	First Home Owner Grant
FIG	Finance and Investment Group
FMA	<i>Financial Management Act 1996</i>
FOI	Freedom of Information

GAAs	Graduate Administrative Assistants
GBE	Government Business Enterprise
GHG	Greenhouse Gas
GPO	Government Payment for Output
GST	Goods and Services Tax
HRMIS	Human Resource Management Information Systems
HRMS	Human Resource Management System
I&CT	Information and Communication Technology
ICRC	Independent Competition and Regulatory Commission
IT	Information Technology
ITOT	Information Technology Officer Trainees
KFDA	Kingston Foreshore Development Authority
LDA	Land Development Agency
M&CA	Multicultural and Community Affairs Group
MLA	Member of Legislative Assembly
NAAATI	National Accreditation Authority for Translators and Interpreters
NCC	National Competition Council
NCP	National Competition Policy
NT	Northern Territory
NTER	National Taxation Equivalent Regime
OFW	Office for Women
OGF	Oracle Government Financials
OH&S	Occupational Health and Safety
OH&SMS	Occupational Health and Safety Management Systems
OHS&R	Occupational Health, Safety and Rehabilitation
PAC	Public Accounts Committee
PCs	Personal Computers
PSS	Public Superannuation Scheme
RMB	Revenue Management Branch
SERFA	Senior Executive Responsible for Fraud Administration
SITO	Senior Information Technology Officer
SLA	Service Level Agreements
SOG	Senior Officer Grade
SPA	Superannuation Provision Account
SPO	Senior Professional Officer
UPF	Uniform Presentation Framework
WAN	Wide Area Network

## Other Sources of Information

### CONTACT OFFICERS, INTERNET SITES

Department of Treasury  
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Canberra ACT 2601

#### Department of Treasury website:

<http://www.treasury.act.gov.au/>

#### ACT Government website:

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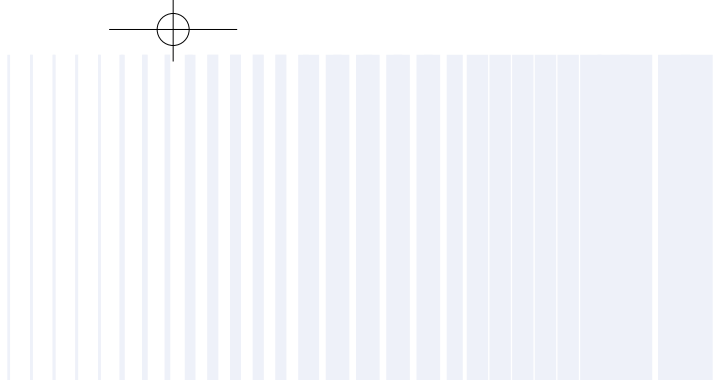
Basis website: <http://www.basis.act.gov.au/>

ACT Contracts Register:  
<http://www.contractsregister.com.au>.

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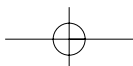
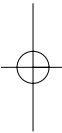
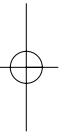
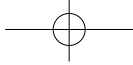
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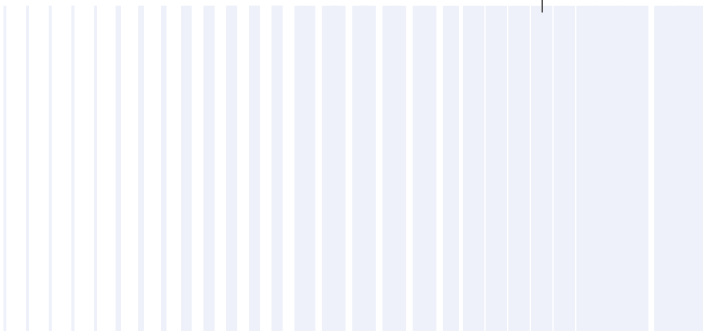
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